

DISTRIBUTION AND WAREHOUSING



The Business Paper of the Warehouse Industry

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To Tell the Investment Public the Truth About Warehouse Earnings

American Warehousemen's Association Plans to Compile Figures to Offset Exaggerated Claims of Profits to Be Derived from Dry and Cold Storage Operations—Program of Future Activity Includes National Advertising, Tariff Reconstruction, and Compilation of Statistics on Stocks in Store—Summary of French Lick Meeting

By KENT B. STILES

WHAT will unquestionably be recognized as the most constructive convention which the American Warehousemen's Association has held in years took place in French Lick, Indiana, Jan. 9-12. The nearly 200 delegates who attended prepared a program of future activity which, if carried out along the lines discussed, cannot do other than strengthen warehousing's economic position throughout Business America and make the public storage industry better known and more widely appreciated in the field of national distribution.

On the five pages which this February issue devotes to the French Lick assembly there is not space for setting down more than the high lights; a more detailed report will be published in *Distribution and Warehousing* next month. In the present article some of the outstanding features of the American's thirty-seventh annual convention are presented as follows:

1. *Terminal Warehouse Construction.* The association's directors were empowered to compile figures showing the average earnings of merchandise and cold storage warehouses. These figures when gathered and analyzed would be used as the basis for articles, pamphlets, etc., for dissemination in the investment banking world. The purpose would be to circulate correct information regarding actual earnings in the warehouse business in an effort to checkmate those of the construction engineers and building promoters who hold out, to the investing public, exagger-

ated prospects of rosy profits possible in the operation of terminal warehouse projects.

2. *Statistics.* The association will cooperate, to the extent that its individual members volunteer, with the Bureau of Foreign and Domestic Commerce of the United States Department of Commerce in compiling statistics on stocks of merchandise in storage, tonnage handled in and out, etc., month by month, so that the industry's distribution picture may be fitted in with the business pictures of other lines of business in the evolution of marketing. A. Lane Cricher, addressing the convention as spokesman for the Government in this work, declared that hand-to-mouth buying was here to stay and that merchandise warehousemen would do more distribution work in the months ahead. He announced that compiling of statistics would be begun at the close of January and that the initial figures would be published by the Department of Commerce before March 1.

3. *National Advertising.* A special committee appointed in the merchandise division will attempt to raise a fund of \$225,000, largely by volunteer subscriptions among the division's members, to finance a national advertising and publicity campaign to tell the industry's service story to national distributors. The division's executive committee was empowered to act following the report which the special committee would submit after raising the money, formulating the campaign and outlining the methods. With

J. Edgar Lee



Reelected general president of the American Warehousemen's Association

only one dissenting vote the division approved the plan in principle. The \$225,000 if raised would provide for an expenditure of \$75,000 annually for three years.

4. *United States Warehouse Act.* The executive committee of the merchandise division was authorized and instructed, by a vote of 26 to 16, to appoint a special committee to arrange, with the advice and consent of the executive body, "for counsel to begin proceedings in the Court for a determination of the constitutionality of the Federal Warehouse Act and/or to oppose actively the further extension of the Federal Warehouse Act." Several speakers had expressed fear that the Act would be extended to include canned foods and other commodities which they declared had not been intended by Congress to come within the scope of the supervision of the statute by the Department of Agriculture.

5. *Railroad Storage.* The merchandise division adopted a resolution declaring further entrance by the railways into the warehouse business not "a proper function" of the carriers and was "inimical" to warehousing, and the division's executive committee was instructed to take steps to prevent such further entrance "unless done with due regard to costs on a fully compensatory basis and in conformity with approved practices by local associations."

6. *Tariff Construction.* The merchandise division, by voting its approval of the report submitted by its Central Bureau committee, authorized the committee to proceed with its work of preparing a specimen tariff. The report and ensuing discussions brought out that the committee is working on a rate structure designed to produce something

which, correlating the Atlantic seaboard system with that of the former Central Warehousemen's Club, should be readily understood by all warehousemen. A basic density figure will be used that would automatically eliminate computations involving floor load and pile height, with rates shown in decimal form. The committee plans to adopt a standard basic density of 34.5 pounds per cubic foot with a rating balance of 250 pounds. The current so-called basis of charge—7.5 cents, 9.0 cents, etc., per square foot—will be set at one-half such figures, as it was pointed out that the present basic figures were sometimes being used, by promoters of terminal

The French Lick Convention

ON these pages 7 to 11 inclusive is a presentation of the high lights of the thirty-seventh annual convention of the American Warehousemen's Association, held in French Lick, Ind., Jan. 9-12. A more detailed report of some of the discussions will be published in the March issue of *Distribution and Warehousing*.

warehouse projects, in computing probable earnings, without consideration being given to the fact that there was only 50 per cent occupancy of the available space in a storage building.

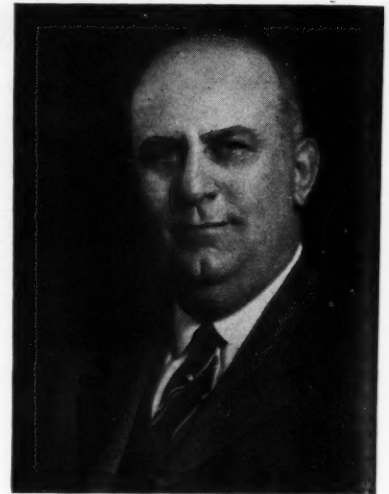
7. *Government Competition.* Word was received from the War Department that an official inquiry would be made with regard to the leasing of one of the Government army base properties which is being operated for storage at rates which the association contends are competitively unfair to public warehousing. This information reached the convention following a recent conference held with War Department executives by representatives of the association. Pending the outcome of the promised inquiry,

Gardner Poole



Elected president of the cold storage division of the A. W. A.

F. R. Long



New president of the merchandise division of the A. W. A.

the association took no action, but it was indicated that the association had in mind possible plans for taking the situation to the President of the United States or to Congress should it continue acute indefinitely.

8. *Income Tax Depreciation.* The merchandise division voted to cooperate with the United States Treasury Department in establishing uniform depreciation charges for income tax purposes. Such uniformity, it was pointed out, would result in a greater equity in the collection of income taxes by eliminating the present unfairness due to divergent rulings by examiners, and would save money both for the Government and for taxpayers.

9. *Seized Motor Cars.* The merchandise division authorized its executive secretary to establish contact with the Government with a view to working out some sort of uniformity with regard to the storage and handling of confiscated automobiles and trucks for the account of the Prohibition Administrator. It has been the experience under present procedure that the warehouseman who stores motor cars and merchandise for the Prohibition Administrator has no way of being certain that he will be reimbursed for his charges.

10. *Bonded Warehouses.* It was disclosed in the report of the merchandise division's committee on bonded warehouses that the committee has filed with the House (Congress) Ways and Means Committee a statement recommending statutory changes in the administrative provisions of the customs law pertaining to public bonded warehouses. These changes if enacted will protect warehousemen in the storage of bonded goods to an extent equal to the protection afforded in the storage of free merchandise, whether the bonded goods are stored in general order or pursuant to a warehouse entry. The division backed the

Officers Elected at French Lick

FOLLOWING is set down the personnel of the 1928 administrations of the American Warehousemen's Association, the American Chain of Warehouses and Distribution Service, Inc.

American Warehousemen's Association

General President, J. Edgar Lee, president Currier-Lee Warehouse Co., Chicago.
General Vice-President, H. C. Herschman, president Terminal Warehouse of St. Joseph, Inc., St. Joseph, Mo.
General Treasurer, Clarence A. Aspinwall, president Security Storage Co., Washington, D. C.
General Secretary, Elmer Erickson, vice-president Midland Warehouse & Transfer Co., Chicago.
President Merchandise Division, F. R. Long, manager S. N. Long Warehouse, St. Louis.
President Cold Storage Division, Gardner Poole, president Quincy Market Cold Storage & Warehouse Co., Boston.
Vice-President Merchandise Division, H. E. S. Wilson, president Campbell Stores, Hoboken, N. J.
Vice-President Cold Storage Division, Harry C. Lewis, secretary Merchants Refrigerating Co., New York City.
Treasurer Merchandise Division, Harry D. Crooks, owner Crooks Terminal Warehouses, Chicago.
Treasurer Cold Storage Division, Ralph C. Stokell, National Cold Storage Co., Inc., New York City.
Executive Secretary Merchandise Division, Wilson V. Little, Chicago.
Executive Secretary Cold Storage Division. (Mr. Stokell serves until his resignation becomes effective Feb. 15; his successor not yet selected.)
Executive Committee Members Elected by Merchandise Division (each to serve two years), Al T. Gibson, president Lawrence Warehouse Corp., San Francisco; Paul W. Frenzel, vice-president St. Paul Terminal Warehouse Co., St. Paul, Minn.; Samuel G. Spear, treasurer Wiggin Terminals, Inc., Boston.
Executive Committee Members Elected by Cold Storage Division (each to serve three years), G. D. Allman, vice-president United States Cold Storage Co., Chicago; S. J. Drapekin, secretary New Orleans Cold Storage & Warehouse Co., New Orleans.

American Chain of Warehouses

President, Edward Wuichet, president Union Storage Co., Dayton, Ohio.
Vice-President, S. M. Haslett, president Haslett Warehouse Co., San Francisco.
Treasurer, D. H. Van Name, president F. C. Linde Co., New York City.
Secretary, O. V. Hukill, New York City. Chain's eastern representative.
Chairman of Board, A. H. Greeley, president General Storage Co., Cleveland.
Directors, Mr. Wuichet, Mr. Haslett, Mr. Van Name, Mr. Greeley and W. W. Morse, president Security Warehouse Co., Minneapolis; Joseph R. Behrens, secretary United Warehouse Co., Ltd., New Orleans; John L. Newbold, president Merchants Transfer & Storage Co., Washington, D. C.; Elmer Erickson, vice-president Midland Warehouse & Transfer Co., Chicago.

Distribution Service, Inc.

President, Jay Weil, vice-president Douglas Public Service Corp., Inc., New Orleans.
Vice-President, E. V. D. Sullivan, vice-president Terminal Warehouse Co., Philadelphia.
Secretary and Treasurer, Sidney A. Smith, vice-president Currier-Lee Warehouse Co., Chicago.
Directors, Mr. Weil, Mr. Sullivan and J. Edgar Lee, president Currier-Lee Warehouse Co., Chicago; Henry F. Hiller, manager San Francisco Warehouse Co., San Francisco; Samuel G. Spear, treasurer Wiggin Terminals, Inc., Boston.

move by accepting the report as presented.

At the concluding general session of the convention the association reelected its officers, including J. Edgar Lee, Chicago, as president. The merchandise division placed F. R. Long, St. Louis, at the helm, while the cold storage branch selected Gardner Poole, Boston, who is one of the American's past presidents. The American Chain of Warehouses at its annual meeting reelected Edward Wuichet, Dayton, Ohio, as president, and Distribution Service, Inc., selected Jay Weil, New Orleans, as its executive head. The personnel of the 1928 administrations of the three organizations appears above.

Warehouse Earnings

A FEATURE of the sessions of the general body was an address by H. A. Haring, contributing editor of *Distribution and Warehousing*, on the industry's problem regarding construction of terminal warehouses which are financed in part by money raised through selling stocks and bonds to the investment public.

The N. F. W. A. Meeting in Hollywood, Fla.

A BRIEF summary of what took place at the annual convention of the National Furniture Warehousemen's Association, held in Hollywood, Fla., on Jan. 19-23, will be found on page 13. In the March issue of *Distribution and Warehousing* there will be published a detailed summary of the Hollywood meeting.

Conceding that the topic was "truly a troublesome one," Mr. Haring pointed out that in the association's own membership were "men committed to both sides of the question"—some who believed that the newer terminal warehouses "are wholly a mistake" and others who "are managing and owning these same warehouses." This very difference of opinion made the problem troublesome, he declared.

With over-construction a fact and not a theory, Mr. Haring said, the industry must adjust itself to the situation, and there was nothing to be gained by decrying the efforts of engineers, promoters, bankers and railroads.

As one solution Mr. Haring suggested education of local communities to "the idiocy of more space." In this connection he continued in part:

"It requires careful planning and some shrewd engineering in order not to overdo the thing and thus defeat your object. Yet, if a big project of this sort threatens and if you believe it is too ambitious, it is generally possible to get your side of the case so strongly before your local bankers that every inquiry from the outside will receive a discouraging answer. If you can make sure that every local banker will refuse to touch a loan, you can make local capital gun-shy.

"As well we know, such enterprises are often financed elsewhere. But also we know that banks pride themselves on inside information, to get which they inquire locally before taking on a venture. If, therefore, you so manage as



Across these two facing pages is a panoramic view of a majority of the delegates to the 37th annual convention of the American Warehousemen's Association

to have every local banker properly set against new warehouse construction, they will report adversely to their correspondents. And you will be able to lay before your bankers figures that tell the story. Do not forget that banks talk a language of dollar signs and figures. If you desire to persuade a banker, you must talk in his language. Thus, if you can show warehouse earnings, your banker will forward your data to out-of-town banks. This procedure will get across your side of the case to the place where the promoter borrows his money.

"If you want to prevent new construction in your city, and if you are serious about it, it can be done.

"Bear in mind, however, that it's one of those tasks that I call '6 A. M. jobs.'! Don't do any napping over it! If you putter around, it soon will be too late. For, as readily may be seen, if you allow the plans to get well under way, or if the financing advertisements once appear in the papers, you are lost.

"To do this demands cooperation of your local warehousemen. It is one of those instances where, if you do not all cooperate, some of you are not going to operate.

"Furthermore, we may just as well be honest. It is of no avail to deceive ourselves about the danger of trying to forestall new construction.

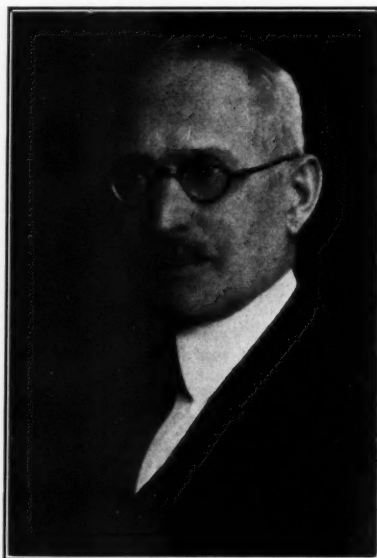
"These dangers are two-fold, for both of which our time this afternoon prevents any elaborate discussion. One danger is this: if you present to your bankers too black a picture, you will undermine your own credit. You must never forget that the banks are handling your paper all the time, and you can't afford to discredit yourself.

"A second danger is this: all your hard work may come to naught! You can ward off one new warehouse, you can repeat the offensive against number two, but your efforts are bound to weaken as project follows project. The longer you save your city from the onslaught, the surer it is finally to come upon you. Without my going into details, you know the reasons. Construction engineers and promoters are mak-

ing money by organizing and erecting new warehouses and big new warehouses at that. No important city can, at least in my personal judgment, permanently stay off the terminal project.

"And it is from such considerations that I, as one, am of the opinion that, whether we approve the newer terminals or not, we are powerless to prevent their coming. That is why I say that we must face the facts.

Edward Wuichet



Re-elected president of the American Chain of Warehouses

"Gentlemen, to most of you I am unknown; I have come here as your official guest; all the tokens of courtesy demand that I shall carefully avoid offense; and, much as I dislike to say what I know is not pleasing to some of you who sit before me, I yet believe that manufac-

turers and distributors see some things that you who are within the industry do not grasp. They see ahead one thing so prominently in the middle of the road that they simply cannot detour it. They see warehouses as the future of distribution. The warehouse solves spot stocks; the warehouse supplements jobbers; the warehouse makes possible direct selling to dealers; the warehouse brings distribution up parallel with advertising and sales promotion. These new terminal projects indicate faith in the future of warehousing, that faith being the knowledge that warehouse distribution is one of the very biggest things in American marketing.

"Gentlemen, that may sound harsh. I declare it with full knowledge that a lot of these terminal warehouses have hard days ahead, that many of them will be reorganized, that many trusting investors who have bought bonds and stock will suffer big losses, that a world of grief lies ahead for their managements. Many of them, as well I know, already are in difficulties, even before enough years have elapsed for them to get fairly under way. They have been overbuilt, overcapitalized, over-everything. Several of them have shown a woeful disregard for operating costs and operating methods. Many persons will get severe scorplings, one way and another; and, without doubt, the inevitable price cutting will hurt established warehousemen.

"All this I know. I know much more that I dare not say out of fairness to those whose business is concerned. Nevertheless, despite all the grief and all the ridiculous overbuilding, I yet believe that these new undertakings will work for the expansion of all warehousing.

"Bear in mind the facts: These terminals are upon us; more are coming. It is impossible to stop the movement. Bewail the misfortune of it if you will, grieve for those who are due for a hot scorching if you wish, but none of that will alter the facts.

"Adjustments will come; reorganizations will come. These are not desirable, and I wish we might avoid them,



The photograph extending across these two pages was taken in front of the French Lick Springs Hotel, French Lick, Ind., where the A. W. A. assembled Jan. 9-12

but deeper than that lies the great fact that these terminals will be obliged, sooner or later, in some manner or other, to earn their fixed charges. They cannot go on forever as price cutters. They, of all warehouses in the industry, need the money if they desire to remain solvent. They will be compelled to get more revenue from their patrons, either by charging more for established services, or by creating new services, or by filling in unknown gaps in the distribution of goods.

"There is no alternative. If they fail to create new services, or do something to obtain greater income, they face bankruptcy, one and all.

"More than two years ago the management of *Distribution and Warehousing* perceived this thing coming. It was felt that the publication could do nothing less than try to perform its bit to prepare the industry for the inevitable, and then it was that we began that department of New Business for Warehouses. We knew it was but one tiny effort; we felt sure that many of the suggestions would be worthless to many readers, just because warehouses are already doing the things we suggest. For all that, gentlemen, the New Business page has run on month after month.

"Think what you will about those new business suggestions, the underlying purpose has been unaltered from the first article right up to the present time, and that purpose is to arouse warehouses to the dire need of developing new business—not switching of accounts from one to another, which is not new business at all, but merely old business under another roof. The purpose is to throw out each month a reminder that warehousing can grow only in so far as some one develops new services and brings new users into the fold. We have no officer to do this for the Association, we have no advertising fund to educate the world quickly to the thing which eventually they will do. The only way we can possibly build up new business for our warehouses is by encouraging each man to go after those accounts that he can get. The New Business page of *Distribution and Warehousing* is the

publisher's effort to stimulate and encourage this movement.

"And that, gentlemen, is the salvation of the terminal warehouse situation. It is, as I have hinted, a troublesome topic. To many of us it is a sore spot. Facts, however, we face. And of all those facts this is outstanding above all others, namely, that the terminal warehouses are evidence of what warehousing is to become. The way we can help solve the

Convention Pictures

IN the March issue will be published individual and group pictures taken by "Andy" Murray at the French Lick gathering of the A. W. A. and the Hollywood meeting of the N. F. W. A. These informal snapshots will illustrate the further convention reports to appear in March.

situation, the way we can save established business from being hurt, and the way we can set the new enterprises on their feet is by developing new services, new business, bringing new manufacturers into the public warehouse.

"Well do I know that you cannot go out at ten o'clock to make a call, have a jolly lunch and come back at two o'clock with a signed contract. I do not overestimate what can be done in developing new business for warehouses. Far from it. But if warehousemen DON'T go out for new business, if warehousemen DON'T create new services, if warehousemen DON'T educate business America to the economies of public warehousing, WHO will?"

Mr. Haring's talk was followed by the presentation, by Chester B. Carruth, the merchandise division's actuary, of two charts of figures—one showing what terminal warehouses be-

ing promoted are expected to earn, and the other indicating what a number of going warehouse concerns are actually earning. The promoters' figures of what a terminal warehouse is expected to earn, the first chart showed, is 62.77 cents per square foot per year; as compared with an actual figure of 20.82 cents as average earnings of several going warehouse concerns which had submitted their figures to Mr. Carruth as the basis for the second chart.

Mr. Carruth went further and estimated that after the investors in stock of the terminal warehouse had been taken care of as advertised by the promoters, and after other obligations had been met, the terminal warehouse, instead of earning 62.77 per square foot per year, would actually entail a deficit of 6.51 cents.

It was the presentation of these charts that led to the action mentioned earlier in this report—the plan to compile figures showing the average earnings of merchandise and cold storage warehouses today, and the dissemination of this information among bankers and investors. This situation will be touched upon more in detail in the March issue of *Distribution and Warehousing*.

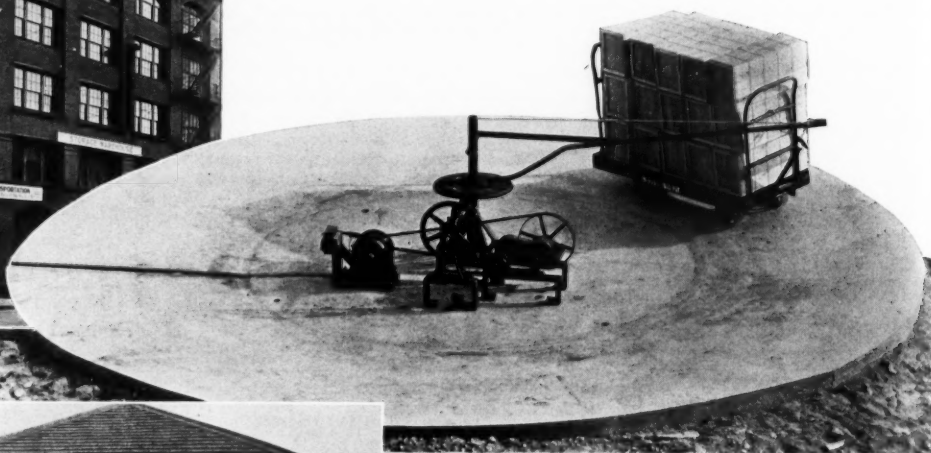
The merchandise division at one of its sessions approved the publicity committee's plan to publish a membership directory, which will appear probably this coming summer. It will be a book of approximately 400 pages, if the ideas as outlined mature, and each merchandise division member will be given a listing setting forth his facilities, services, etc. Members will have the privilege of having their warehouses illustrated, at cost of \$30 a page or \$15 for a half-page. It is purposed to print 15,000 copies of the directory, 10,000 of which would go to manufacturers, jobbers and other potential customers, and virtually the balance to the division's members, at a nominal cost of 50 cents a book, for distribution to finance companies, investment bankers, etc. The project will be financed in part by voluntary subscriptions by the division's members.

Distribution and Warehousing's Pictorial Review



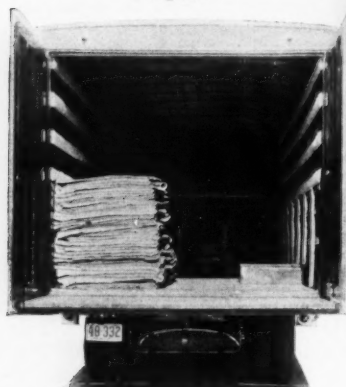
Left, the seven-story building now occupied by the Syracuse (N. Y.) Furniture Forwarding Co. (See story on page 52)

Below, a proving ground for testing industrial casters and trucks, at the plant of the Service Caster and Truck Co., Albion, Mich. (See story on page 53)



Left, "Wanta buy a duck?" This hunting party, photographed "somewhere on the Gulf of Mexico," includes K. K. Meisenbach, president American Transfer and Storage Co., Dallas, and M. E. Horner, president Merchants Transfer and Storage, Austin, Texas.

Below, interior of van shown at right.



Here is the latest type of furniture van adopted by the Hartford (Conn.) Despatch & Warehouse Co. Special features include double windshield wipers; heated cab; interior dome lights; and a special mounted material which, placed on grooves running lengthwise within the cab, eliminates the use of furniture pads hung along the sides.

Here Are the Highlights of the N. F. W. A. Convention in Hollywood, Fla.

By KENT B. STILES.

(By Telegraph)

THE outstanding feature of the eighth annual convention of the National Furniture Warehousemen's Association was a decision to organize a corporation for long distance transport of household goods by motor truck. By unanimous vote the several hundred delegates present authorized the Long Distance Removal Committee headed by Martin H. Kennelly of Chicago to proceed with forming such a company, which will be the association's business reply to the challenge of the so-called independent truck operating interests which, not engaged in warehousing, have been taking away much of the furniture storage executives' revenue formerly enjoyed through shipping household goods by rail.

No name has yet been selected for this corporation destined to operate eventually on a national basis and in a way that will send its vans, uniform in appearance and color, over the country's highways as part of the association's determination to control for its members, now nearly eight hundred and fifty in number, the city-to-city removals of the public's lares and penates.

It is expected the new company will have been incorporated within a few months and that it will be in operation in the eastern and central-western parts of the United States by mid-summer. Details concerning the plan and regarding other features of the convention, which today concluded its business sessions, will appear in the March issue of *Distribution and Warehousing*. These features include the following:

First, it was announced that "let storage help you" had been selected as the association slogan.

Second, the bylaws were amended to provide for increased dues and by adding an article under which disputes will be settled by arbitration. It is anticipated that arbitration machinery will gradually be set in motion by all affiliated State and local associations.

Third, a code of practice was adopted which is a formal declaration of principles and rules of conduct endorsed by the association as ethical practice for all its members.

Fourth, the standard form of legal sales notice was revised to accommodate changes suggested since its original adoption, and changes were made in the standard moving and shipping proposal form to coincide with the revised correspondent shipping rules.

Fifth, the delegates voted it to be unethical for member to allow the use of his name and premises for the sale of used furniture disguised as unclaimed

goods being sold for storage charges. This practice was declared to be fraudulent and misleading in the eyes of the public and injurious to warehousing.

Sixth, the Kansas City plan of estimating was recommended to State and local associations for trial, with a view to the national body endorsing it should it be found to operate successfully in the various communities.

Seventh, the association disapproved of any method of advertising which involves any member giving prizes, such as pianos, etc., to patron under the so-called lucky number system. This practice was held to constitute unethical competition.

Eighth, the association voted its approval of a proposed amendment to the lien law, where any State may desire to enact its, whereby the warehouseman's lien would have first and prior right as against all other liens. The delegates endorsed also a proposed lien law amendment for the protection of truckmen and draymen engaged in moving household goods.

Ninth, it was voted to extend to recognized van owners not engaged in warehousing the privilege of participating in the association's automobile insurance policy, the various affiliated associations to use their judgment as to which van owners should be so privileged.

Tenth, the insurance committee was authorized to continue its effort to effect reduction of fire insurance rates on standardized furniture storage warehouses.

The election of officers, held yesterday, elevated to the presidency William I. Ford, Dallas, who had been the Southern Divisional vice-president. Mr. Ford announced he would retire at the close of his one-year term.

Ralph J. Wood, Chicago, and James F. Keenan, Pittsburgh, were reelected respectively secretary and treasurer, and the new Western, Eastern, Southern and Central Divisional vice-presidents are Ray Chapin, Portland, Ore.; C. J. Hamilton, Baltimore; James A. Walker, Memphis, and S. S. David, Chicago. The new directors each for a three-year term are Ernest H. Milligan, New York; Ernest T. Chadwell, Nashville, Tenn.; Schuyler C. Blackburn, Kansas City, and Floyd L. Bateman, Chicago.

More than 400 members and guests attended the convention, which opened its deliberations on the nineteenth with a directors' meeting at which seventeen companies were elected to membership. With one exception this was the largest meeting in the history of the association, which is looking forward to holding its next annual assembly in Southern California.

Public Warehousing and Economic Distribution

Number 35

Breaking into the New York Market

By H. A. HARING

NEW YORK CITY, on the map of the United States, is hardly more than a dot. The city itself, with its five boroughs, covers 299 square miles—an area that is exceeded by many other cities. Even the "Metropolitan District" of Greater New York, as determined by the Merchants' Association, includes only 3768 square miles—which means a radius of 25-30 miles, a distance so short that it is dwarfed by the claims of a score of cities.

Yet within this close area live 10,000,000 of people. To reach an equal market, elsewhere, a manufacturer must sell the next three largest metropolitan areas of the United States, or distribute his product over thousands of miles of little cities and towns. At no previous period in the world's history has any man had so wide a market, so much wealth to trade with, so many potential customers, as today he has in the congested market of New York.

It is, accordingly, the dream of every manufacturer in America to capture this market. They know that it is the greatest home market in the world, that it is the center of business and wealth, that it represents the

greatest concentration of buying power—they know many other superlatives that apply to New York as a market, but just the same, manufacturers all over this country hesitate to enter New York.

As a matter of fact, "hesitate" does not properly express the situation. Most of them have at one time or another attempted to "break into" New York, only to go back home baffled. Among manufacturers there exists, strangely, a very decided judgment that only those who are strongly intrenched in reputation and capital dare make the effort; for the ordinary factory, making the ordinary product, the cost of attaining distribution in New York looks too huge to warrant any closer approach than to "dream" of such vast potentialities.

This does not mean that such a manufacturer sells no goods in New York. He does, of course. Every factory usually enjoys some volume in this market. The totals are, however, of no great consequence; they are pitifully tiny when compared with the New York market's consumption of the goods. And, the cost of selling is generally so much higher than for other zones that profits are not encouraging.

Why New York Looks Costly

MANUFACTURERS, as a result, pass by this fine market because of the excessive cost of selling it—that cost being calculated against the small volume now obtained therein. Such orders as come from New York are, of course, welcome; but manufacturers are forced to content themselves with the easy volume, not feeling justified in going after big volume with aggressive selling. Based on previous experience, a bigger volume would cost too much.

Talks with manufacturers reveal quite commonly a misconception, due entirely to their failure to "know" New York. They assume that their individual impressions of the city, from occasional business trips, accurately picture Greater New York as a market. Yet in making this assumption they err terribly, because they make the mistake of looking at the Grand Central zone as a cross-section of the larger city.

Manufacturers, and their sales agents, are apt to know only the visiting section and the amusement zone. They spend a few hectic days at a time in hotel lobbies and showy restaurants—entertained once or twice by a host who spends \$300 in an evening—and they conclude that no man with less than ten thousand a year—which, back home, is a big salary—can live in New York. Then, with some such misconception as this for their premise, they jump to the conclusion that all New York is merely a multiplication of this, its least representative, district. The only portions of Greater New York which these men are likely to know are the financial district and the famed sections wherein transients and amusements distort all other impressions.

Having formed this misconception, these men dismiss the idea of marketing in New York. When pressed to explain the failure of their product to

share the richest market in the world, they fall back on aspersions of New Yorkers as individuals or on some such statement as "It costs \$60 a month to garage a car in New York, and it's no wonder our sales are poor." They fail to understand that the New York market, for 60 per cent of its population, provides garages as cheaply as Wheeling; they have not so much as a guess that green trees and restful lawns greet New Yorkers as they reach home after the day's work.

New York a Manufacturing City

MEN, too, who have not lived in New York seem not to comprehend it as a manufacturing center. They are accustomed to think of the city in terms of skyscrapers and tenements, banks and theaters, shopping districts and slums. They are surprised to be told that one-sixth of America's manufacturing establishments are located within

MR. HARING'S "Public Warehousing and Economic Distribution" articles, written for traffic and sales managers, will be continued throughout 1928. The author has selected, as subjects for discussion but not necessarily in the order set down here, the following:

Freight Forwarding Companies. Their service to shippers who must send L.C.L. lots.

The Port Warehouses. Railroad and steamship interchange.

Coast-to-Coast Shipping via Panama. Problems of stopping-in-transit. The through rate and warehousing-in-transit.

Spotting Stocks for New England. Problems faced by manufacturers elsewhere.

Mail Order Houses and Public Warehouses. How and

when and why mail order institutions use public warehouses.

Department Stores and Public Warehouses. The buying program. The "returned goods evil."

Cooperative Marketing and Withholding Produce from Markets. "Orderly marketing" and "controlled withholding."

Warehouse Stocks and Taxation. State laws with relation to spot stocks, local taxes, foreign corporations.

Warehousing Across the Canadian Border. The American manufacturer and Canadian markets.

that 299 square miles, and that one-twelfth of the country's manufactured products are produced therein—to say nothing of the output of the 3768 square miles that make the greater city.

Within the city proper are 27,000 manufacturing establishments; more shirts and collars are made in the five boroughs than in the Troy district; for the metals industries there are more establishments, and a greater number of employees, than in Pittsburgh.

It follows from this ignorance that those manufacturers whose product goes to factories have curiously failed to cultivate the New York market. They therefore balk at this market. They feel helpless before its size and the difficulty of entering; they despair of denting it by sales methods that bring domination in other markets; yet they do not appreciate the vastness of consumption of the market for its own uses.

One manager with a successful record in New York (after beginning in an Illinois city) suggests this:

"Don't think of New York as your last market, to be sold *some distant day* at terrific cost and effort, after winning all the rest of America. Think of it this way: pick out a number of smaller cities whose population and whose outlets for your product are equivalent to New York; then estimate how much money, effort and time it would cost you to establish yourself in *all* these smaller cities. With an equal or less expenditure, and in the same length of time, New York will yield a greater volume."

New York can be sold profitably, with moderate costs. It is a tough market—no one will deny that. But so is the rural district, so is Chicago, and so is everything between the farm and Chicago. Yet by sensible planning, any manufacturer can penetrate New York. Moreover, with moderate expenditure, with continuous effort and with good planning, any quality product should be able to win in New York and to do so on a pay-as-you-go basis. Certainly within a year returns should recoup the initial outlays and show profits thereafter from month to month.

Sales Resistance in New York

ON analysis—not from the grill room of a Grand Central zone hotel, but from the real city—all "mystery" about this market dissolves.

New York is big. To merchandise it brings out every known sales resistance—and of all these resistances the biggest for the new sales manager lies in: "theaters, night clubs, bootleggers, girl friends and a facility for dipping into the expense account." The good fellow after 6 p. m. may make a strong impression in the amusement zone, but his employer finds that giving orders to waiters is no substitute for getting orders from customers. Coverage and calls on the trade count for just as much in New York as in the "sticks," but ten million people will not discover a man's product so long as he is staggered by the bigness of New York.

To conquer this market is not some act of supernatural quality. It is no miracle. It is merely the common sense method of "divide the enemy's forces and whip them separately." In practice, this means that the great city must be broken down into lesser units and then the selling pressure be applied against individual communities or sections and not against a unit of ten millions. It is extremely difficult to visualize ten million people in a mass. Any man can, however, picture one city street or one city block—and, by attacking the market of New York street by street, even a stranger can conquer it for his product. With ten millions facing him, no manufacturer knows where to exert the pressure; by breaking down these millions into a hundred trading areas, the peculiarities of each can be counteracted. The marketing, and the sales force, goes into each in precisely the way that it would enter a new city of 100,000.

Some Favoring Phases

SOME conditions favor low costs for selling. These should not be overlooked by the manufacturer. They often are overlooked because his days in New York are an irritating effort to get from

place to place, with \$6 spent in taxi fares by evening. His sales forces do not, however and this is the thing so often overlooked—jump from district to district for "appointments"; nor do they require one hour of the morning to fight for tickets to some entertainment for the evening. They work from door to door, dealer to dealer, factory to factory. They go home at night.

When their work is being planned, the manufacturer quickly learns that outlets for distribution in New York are many; and they are close together. This is true whether his product is marketed through dealers or by direct sales to factories, offices or individuals New York offers many customers per outlet; many outlets per square mile; large buying capacity per customer and per outlet.

Transportation facilities, for another matter, are rapid and cheap. A five-cent fare remains, without charge for "transfers" on elevated and subway lines and on most of the surface lines. Salesmen live at home throughout the year; they have no traveling expense and no hotel bills. They are within telephone call of the sales manager every minute of the year, without a toll charge (or, possibly at a cost of ten cents). A moment's calculation will show the importance of these items in the year's cost of selling—that cost being not merely the one of dollars but the possibly greater one of having salesmen live at home, with the contentedness and the better health of home conditions. As a matter of fact, it means that two salesmen will cost the company what one ordinarily does.

In 1926, du Pont de Nemours & Co. determined on a campaign to introduce their Duco into the homes of New York as a domestic market (to supplement the many industrial uses of their new chemical lacquer). Within three weeks they had sold, not to dealers, but through the dealers to householders, more Duco than they estimated could be marketed in a year. A maker of phonograph records is of the belief that he can sell 25 per cent of his production

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in the New York market, and at the lowest sales cost. It is a market that consumes, each year, 120,000,000 dozens of eggs, \$40,000,000 of overcoats, \$19,000,000 of mattresses, \$7,000,000 of clocks, \$8,000,000 of flat irons! Its expenditure for men's ties is close to \$13,000,000 a year, for men's hats twice that sum, for refrigerators \$35,000,000.

The possibilities of sales promotion are unrivalled. The manufacturer finds in this single market every advantage for creation of sales and for the distribution of his product.

"Breaking Down" the Market

THE great difficulty, for the outside manufacturer who enters this market, is to sub-divide the area into workable zones. The job is tremendous, in New York, even to plan the campaign of marketing.

One help available is the "route lists" of the newspapers. These are prepared primarily for advertisers, as one of the standard services of the newspaper in merchandising. "To encourage adequate merchandising by supplying data maps and route lists to the trade for the use of salesmen of the manufacturer or advertiser." Newspapers, however, are rather generous in presenting these route lists to others than their own advertisers.

These lists aim to be without error. To accomplish this end is no small task, when it is remembered that the telephone book is out of date on the morning of its issue, that city directories come out but once a year (except in fast-growing Detroit with its two issues), and that R. G. Dun & Co. state that there are more than 6000 "business changes" daily. No list can be absolutely correct. At the same time newspaper publishers are in position to keep their lists reasonably up to date. By use of addressograph methods, by standing type for loose-leaf booklets, by monthly re-issue and by pasted correction sheets for their lists, the best newspapers offer the manufacturer "route lists" that will reduce the "40 per cent of the salesman's time" that goes into getting from call to call.

New York has been divided into 105 marketing districts for this purpose, the work having been done by New York University and the cost borne by ten of the daily papers. Each "list" as prepared by the newspaper gives all the outlets for a particular commodity on the route. The names and addresses are arranged in order of a salesman's calls. They are intended to eliminate all doubling of his tracks.

More than this rather immediate value, the route lists when laid down together with the "control map" of the city give the sales manager a picture

of the market. Concentration and thinness of market are shown up. The lists provide a census of prospects in the city.

The "route lists" themselves are ordinarily in compact form to fit the pocket. They are often of the loose-leaf type, with provision for emendation or correction. Locations of the trade outlets are given, with name of firm, often with name of buyer. Each list gives a summary of the number of names it contains; "how to get there" or similar directions for finding the proper starting point, and usually a description of the district as to population, racial tendencies, wealth and marketing characteristics.

These "lists" cover such trades as these: drugs, groceries, automotive supplies, hardware, jewelry, radio, soft drinks, confectionery, building materials, men's wear, women's wear, notions, furniture, restaurants and delicatessen shops, musical goods, medical and dental (other than drugs), toilet goods, shoes, cigars and tobacco, automobiles, other garages, tool shops, electrical supplies, department stores, office supplies, carpenters, contractors, hotels, paper, office furniture, transportation companies, chain groceries, commission merchants, corsets, furs, costumers, five-and-ten stores, tailors, handkerchiefs, millinery, raincoats, overshoes, sporting goods. (My notes contain twenty-one more "lists" that have been encountered.)

The more intimately a manufacturer knows the city the keener will be his interest in these "route lists": for, in their captions and analyses, he will find endless checks and illuminating "reasons why" for his sales or lack of them. In order to convey some suggestion of the human elements that can be involved in breaking down such a market as Greater New York a few of these terse descriptions are quoted (from the characterization of routes):

"Route 1 includes a Slavic population in practically its entirety. Small, cheap homes are the rule.

"The population is largely made up of Italians, Greeks, negroes, etc.—congested housing conditions, many families living above stores or in extra rooms connected directly with their place of business.

"A fair workmen's residential district and rooming-house section.

"A neighborhood of laboring men and railroad workers.

"A very good section of high class, restricted residences.

"A poor market for introducing new, high-class products, but good trial markets for ordinary household products.

"The heart of the city; the shopping, financial and business district.

"Large Jewish population; Liggett stores predominate in the shopping zone.

"Fair market; Chinese section of the city and part of the negro population; low purchasing power.

"Poor market; contains fairly low class population.

"Population contains very few foreign born; homes about equally divided between cottages owned by occupants and flats of moderate rental.

"Medium high class, who mostly occupy nice flats."

If the sales work is to be concentrated, in such a community as New York, salesmen must be assigned to definite territories. These routes are bounded by streets just as traveling salesmen's routes are bounded by State or county lines. The "route lists" of the city cut down time needed to cover the territory; they make sure that no outlet is overlooked; they save back-tracking; they reveal concentrated and thin markets. The thoroughness with which the newspapers prepare these lists is illustrated by the statement of one of them:

"We keep these lists checked constantly. Our field men average 16,000 calls a month. They daily make corrections, add new names in routed order, correct changes in owners' names, etc., as found necessary in their field work. Twice a week our 'Master Route Book' is taken to the composing room and the printers make corrections. We have tried addressograph systems, printing, every way to keep lists, and the net of our experience is that setting in type in galley form is the best."

The route lists are so prepared that a manufacturer can from them learn how many salesmen he will require to cover the greater city, how many of them must speak a foreign language, how many must be high-grade in appearance, how many "good" or "average" men can be used—and precisely where each of these groups of men can be utilized to advantage.

Maps of New York

TO correspond with the route lists, the newspapers have maps. These, too, are usually available to the manufacturer, even though he be not an advertiser.

The newspaper maps, by colors or by hatching, indicate the distribution of wealth over the metropolitan area. Similarly they show density of population, reading habits, nature of the district (manufacturing, tenement, hotel, theater, financial, shopping, foreign, shipping, automobile ownership, and many other bases), and they give many "leads" as to the nature of trade outlets. They are replete with information.

The newspapers, as a further aid to covering the city, issue small pocket-size maps to correspond with each of their "route lists" These maps show

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in detail each street and each block of the district included in the "route," together with such helps as transportation lines, parks and institutions—all the information of a good city map but all so enlarged that the tiniest detail stands before the eye without any uncertainty as to what it is.

To assist the salesman who follows the "route" as perfected, these route-list maps carry a colored (usually red) line which indicates precisely where the salesman shall go. The red line begins at the "beginning" of the route, where the man leaves the trolley or train, and it traces his steps as they should go from place to place. Arrows point which direction to follow in going around a block, when and where to slip through a side street to pick up some customer located at an unusual spot, where to hop a trolley car for a short distance. Thus the man's steps are plotted for the day's work, and, at its close, his red line tells him where to board the trolley car (with name of car, etc.) to return to the center of the city. No finer help to breaking down such a city as New York can be imagined that these "route-list maps" and their accompanying "lists" which give names and addresses of possible customers, arranged in order as the salesman will enter their offices.

Another map that the manufacturer will find most useful is one prepared last year by the industrial department of the Merchants' Association of New York. (This may be obtained, for \$1, from the New York office of *Distribution and Warehousing*; and is of wall size). On this map are indicated the location of all cold storage and merchandise warehouses, and, on the margins, detailed information for 161 such warehouses (exact street address, name of operating executive, nature and capacity of warehouses, type of construction, specialties warehoused if any, bank references, capital investment, etc.)

Pier locations for railroads and steamships also are given.

This last item emphasizes what the map itself makes clear to the eye—namely, that the "belt line" of New York is the harbor. Various forms of shipping by water, including the car floats and floating elevators and floating coal barges, "belt" New York and its environs. Railroad spurs and warehouses cling rather closely to the water-side, with, of course, such localities as are reached by the one railroad that enters the city directly (the New York Central). Distribution in New York, as in any city with important waterfront, is largely dominated by the water routes, and, in the case of New York, this feature is much magnified just because all the railroads, except the one named, enter by crossing the water. New York

has no such interior development of spur tracks and warehousing points as Chicago and other cities can have: rails do not spread over the city.

The manufacturer, when he thinks of warehouses and of distribution, must learn to look beyond Manhattan. Brooklyn has more merchandise and cold storage warehouses than the other four boroughs combined; Newton Creek, with a length of less than four miles, is one of the world's busiest waterways, even though its name be unknown to 100,000,000 Americans—more cargo moves over this four miles in a year than is shipped over the entire Mississippi River.

Jersey City, and other points on the waterfront opposite Manhattan, are highly important for distribution of goods. Of growing importance, in this respect, are the Bronx sections as well as Long Island City with its multiplying factory centers.

The great value of using a map, as one studies the Greater New York market, is that it repeatedly brings to the manufacturer's eye the thing he ought to know but too often forgets: that the New York market is not all included in the New York address. Either for mail or for freight, close to thirty "cities" are integral parts of the New York market, and nearly as many of them are in New Jersey as in New York State.

When a directory is used, no matter what sort of directory, the rightful New York market is divided and sub-divided by geographic boundaries and geographic names, the use of which beclouds the fact that they are, in actuality, part of New York.

Yet a third map should be consulted. This is the one that appeared, on two facing pages, in the 1928 Directory (January) issue of *Distribution and Warehousing*. It is a new feature of that Directory, prepared in an effort to visualize to the manufacturer the warehouse coverage of the New York market. Unlike the map of the Merchants' Association, already mentioned, the *Distribution and Warehousing* map includes furniture warehouses as well as those for cold storage and for merchandise. This map, on the other hand, is more recent than the wall map; it is the intention to keep it up to date by annual revision; and it will be republished with each year's Directory issue of *Distribution and Warehousing* as a part of the New York section of listed warehouses whose advertisements are printed.

Jobbing in New York

ANOTHER item to be remembered in breaking into the New York market is the jobbing situation.

Wholesalers are so numerous that one

unacquainted with the city is staggered. There are, for illustration, 244 wholesalers of drugs in the city and 46 more in the greater city; for groceries these numbers are, respectively, 158 and 382. Wholesalers of automobile accessories number 99; of boots and shoes, 256; of confectionery, 1,016; of clothing, 1,327; of oil, 611; of carbonated waters, 126; of silk, 1,933 and of woollens, 1,147. More wholesalers, for some lines, than other major cities have of retailers for the same commodity!

A jobbing house, in New York, that will do a business mounting into the millions will be found to serve intensively a restricted area within the city but its name be almost unknown two miles from the "house." In every trade there are a host of so-called "little jobbers" or "specialty jobbers" who handle limited lines of goods over a small territory of the city. Many of them, as one has said, never send a salesman far enough to need a five-cent carfare!

The "small jobber" in such a market as New York, with its small-lot buying, fills a real need by servicing the thousands of small retailers whom the larger jobbers could not serve at a profit. The small jobber fills a place much like that of the small store—catering to small orders from those who find his place more convenient than the bigger place two blocks away. The manufacturer, however, dares not overlook these small jobbers for the reason that their number is great and the aggregate of their volume is even greater.

The small jobber can do business, within his limited field and with his limited lines, at a cost of 8 to 10 per cent for such goods as he carries, which ratio is quite a contrast to the "service wholesaler" whose stock contains full lines of every product and who delivers over a wider territory. The manufacturer, entering the market, must take proper account of these numerous jobbing outlets—(1) by adjusting his prices to the two jobbing conditions, and (2) by warehousing his spot stocks so as to buttress all these hundreds of jobbing houses.

Much use of the map seems necessary. The prohibitive cost of cross-city trucking runs parallel with the lack of railroad spur tracks, such as exist in other cities. Warehouse stocks are less costly than trucking, and it therefore results that experienced manufacturers maintain several stocks for this market. The New York market is bigger than ten cities like Cleveland. Why not maintain ten times as many warehouse stocks? Yet this is a point that many a manufacturer reaches only after expensive experimenting, he having thought of the whole New York market as centering on Manhattan but, in due time, learning that to deliver over a 25-mile radius, in

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New York, is ruinously costly. Stocks, therefore, at two or three points on the Jersey side of the harbor have come to be the rule; with additional stocks for the Bronx, several for Brooklyn, for Long Island City and other "cities within the big city."

Small-Lot Deliveries

ONE who has made an outstanding success of this market, within six years, in reply to the question, "If you were new to this market, how would you go about it?" gave the answer:

"The first study ought to be to determine the size of retailers' buying orders; then make up a package to fit; that smashes the biggest obstacle for any new product."

His comment referred primarily to food products, with which he has dealt.

Manufacturers, however, "break their hearts because New York stores buy small quantities." They picture this market as they do that of other cities, where stores are far apart and jobbing services poor. But in the big New York market, several stores of a kind stand in every block, several factories of related lines in the same loft building. Jobbers number hundreds. Moreover, store sizes and factory spaces are so tiny as compared with other cities that it becomes impossible to store anything not needed for the day's operation.

Both buying habits and space require-

ments, therefore, dictate small units of purchase—it is not a gross, nor two dozen; it tends to be half a dozen. To meet this situation, packaging into cartons at the factory must be altered unless the jobber is to be forced into broken lots. The jobber will not go this length for one product so long as a competing line gives him an original package befitting the New York mode of buying.

A Big Market Demands Big Vision

IT is a repetition of what already has been said to state that too many visualize the New York market as centering principally in Manhattan—and, worse even than that, as gravitating about the hotel-theater-shopping area that runs from 34th Street to Columbus Circle and widens out to something less than two city blocks.

The New York market is, rather, an aggregation of more than 100 distinct trading zones, with an average of 100,000 people to a zone.

The zones differ, too, fundamentally from each other. This may be shown rather strikingly by remembering that of the 32,000 grocery stores, more than 6,000 cater *exclusively* to Italians and another 5,000 *exclusively* to Jewish patrons! The market has 6,000 kosher meat markets and 800 drug stores that cater primarily to Jewish customers, and there are some 275 hardware stores

and 150 radio stores that serve the same group of citizens. One-third of the goods sold in New York finds a sales outlet through jobbers and retailers who pay no heed to English-speaking—or the so-called "American"—customer, and their merchandise is by no means confined to what men eat and women wear. It covers mill supplies, "T" iron and sheet copper, hides and coffee and books and print paper, wool and cotton and silk, furs and Pacific Coast lumber and coal. It includes, in a word, every item that enters our commercial structure; because New York consumes every known commodity used by the individual, and, beyond that, New York is one of the world's great manufacturing centers.

The approach to this market is possible only by breaking down its huge size into lesser areas for marketing purposes, whether those zones be the 105 as laid out by a university's investigators or the 1,400 as mapped by one chain grocery or the 2,760 of an insurance company or the 2 of a Chicago publisher. Each section has marketing possibilities in excess of whole cities elsewhere but it is close to impossible to enter this market without using a map to mark off some sort of a marketing zone. Elsewhere, each city defines itself where it tapers off into cow pastures. New York, as a market, must be blocked into workable markets by laying off red lines on a good map.

San Diego Company Builds Business by Giving a Newspaper Subscription With Each Moving Job

THE McClintock Storage Warehouse Co., San Diego, Cal., is offering its patrons and prospective customers an unusual inducement to employ McClintock trucks when moving. The inducement is in the form of a subscription to either the *San Diego Morning Union* or the *Evening Tribune* with each moving job.

Such an announcement has a marked news and advertising value to any trucking and warehousing company. It is difficult to write arresting advertising copy for such a business, but an announcement of free subscriptions appearing in the papers being given, immediately attracts the attention of all readers. It interests street purchasers of the papers, and subscribers of one paper see an opportunity to get the other paper free gratis.

Too, it is unusual to receive any kind of a special inducement from a warehousing company, such promotional

plans being more often associated with retail enterprises.

It has long since been proved that newspaper readers are inevitably interested in any announcement involving in any way the paper of their choice. And it is this fact that makes the McClintock advertisements of interest to and read by people who will remember the name of the company long after they have forgotten the specific offer made by the moving concern.

Both half-page and ten-inch advertisements have been used effectively by the company in broadcasting the offer. These "ads" explain the offer in detail, which in brief is that for each moving bill that comes to \$5 the company will give a 30-day free subscription to either newspaper; a \$10 moving bill brings a 60-day free subscription; a \$15 moving bill a 90-day subscription, etc. The "ad" says, in part:

"We will charge you our regular REASONABLE RATES for this kind

of work—and when you pay your moving bill you may present the free subscription coupon in this advertisement and we will order the *Morning Union* or the *Evening Tribune* (whichever you choose) sent to your home, absolutely free, for 30, 60 or 90 days, depending on the size of your moving job."

The "ad" further says:

"Tell Your Eastern Friends. Your friends in the East who are moving to San Diego will be glad to know about this offer. Tell them to have the goods shipped to San Diego in care of the McClintock Storage Warehouse Company so that we may give them, too, the free subscriptions to these interesting newspapers. Coming to a new and strange city, your friends will appreciate our courtesy and your thoughtfulness in making this suggestion which will enable them to understand and become better acquainted with our beautiful city as quickly as possible."

Void and Unenforceable Contracts

Second of a Series of Legal Articles

By LEO T. PARKER,

Attorney-at-Law

LEGALLY, a valid contract is an agreement between two or more persons whereby each agrees to do a specific act. Either party may enforce the agreement, and neither party may avoid liability for failure to fulfill his obligations. Under certain well defined rules of the law, certain kinds of contracts are void or avoidable.

A void contract is one incapable for various reasons of fulfillment by either of the parties, whereas, generally, a voidable contract may be enforced by only one of the parties.

In other words, in a voidable contract either of the parties has the privilege of making the contract either

valid or void at his pleasure (51 N. E. 17), while a void contract creates no legal rights of any kind and, therefore, cannot be ratified by either party.

Illustrations of voidable contracts are those where one of the parties is, at the time of affixing his signature, mentally deficient, intoxicated, under influence of drugs, or a minor. Another kind of voidable contracts are those made as a direct or indirect result of fraud, undue influence, misrepresentation, or mistake of one of the parties. Still another kind is where an employee without proper authority signs a contract for his employer.

AN important thing to remember in determining whether a contract is valid is that the minds of the contracting parties must have agreed on all material particulars (27 S. W. 492). And although the parties agree to *all but one* of the details, the contract is unenforceable. (131 S. E. 253.)

Also, a contract is unenforceable where an offer submitted by one party is not accepted in all particulars by the other party (131 S. E. 754). If, however, one party submits a written offer and the other party accepts only portions of the offer, and submits a modified proposition, the contract is valid and enforceable, provided the parties finally agree to all particulars of the modified agreement (46 S. Ct. 458).

In the leading case of *Mahan v. Comp-ton*, 45 N. Y. S. 1126, the Court explained the rules for determining whether a contract made by correspondence is valid, as follows:

"It is well settled, however, that in order to establish a legal contract through the medium of correspondence it must be made to appear that there was not only a plain unequivocal offer, but that the acceptance of such an offer was equally plain and free from ambiguity. In other words, there must have been an exact meeting of the minds of the contracting parties in respect to every detail of the proposed contract, and if the precise thing offered was not accepted or if the acceptance was in any manner qualified by conditions or reservations, *however slight they may have been*, the universal rule seems to be that no valid contract is thereby established, but that such a modified or

THIS is the second of twelve legal articles which Leo T. Parker, attorney at law, has prepared for the information of public storage executives. The warehouseman equipped with the knowledge which the author presents through this series can safeguard himself from financial losses which might result from suits in the Courts. Mr. Parker cites numerous higher and leading Court decisions to substantiate his statements.

Articles in the months ahead will touch on the law of warehouse receipts; priority of liens; warehousemen's liability for employees' signatures, for damages resulting from injuries sustained by employees, and for damage or loss of goods; the law of patents and trademarks; the established law of contracts; the law of warehouse insurance; the warehouseman's status as a motor truck common carrier; and the problem of preventing ex-employees from obtaining employment with competitors.

The third article of this series will appear in an early issue.

qualified acceptance must rather be treated as a rejection of the offer."

Acceptance to Offer Must Be Prompt

FREQUENTLY, litigation arises where a party submits an offer and the recipient delays an unreasonable

period in accepting the same. The rule is settled that an offer must be accepted within a reasonable time by the party receiving it, or the contract is void and unenforceable (10 F. (2d.) 973).

It has been held that where a person submits an offer by letter, not specifying the time within which it may be accepted, the recipient need not answer by the return mail. On the other hand, where a person submits an offer and indicates a time limit for its acceptance, the stipulation must be observed, otherwise the offer lapses by failure of the recipient to accept it in the manner prescribed.

For instance, in a leading case it was disclosed that a firm submitted an offer and said "Write by return mail, whether you accept our offer." The receiver of the letter failed to answer by the return mail, but sent his acceptance the following day. The Court held the delay sufficient to render the contract unenforceable. (4 Wheaton U. S. 225).

It is important to know that an offer submitted by telegram must be accepted immediately. For example, in a leading case (4 Dillon 431) the evidence disclosed that an offer by telegram was received Monday. On Tuesday an answering wire was dispatched accepting the offer. After a hard fought litigation, the Court held the contract voidable and established the law that an offer submitted by telegram indicates haste and must be answered the same day, or the contract is unenforceable.

Often the outcome of a litigation involving the validity of a contract depends on the time a mailed or telegraphed acceptance becomes effective. For illustration, in a recent case (245

P. 39) the question presented the Court was whether an acceptance to an offer became effective at the time the accepting telegram was deposited in the telegraph office, or at the time it was received by the person who submitted the offer. It is interesting to observe that it was held that a valid contract existed at the moment the sender delivered the telegram to the telegraph company.

In another case it was disclosed that an official of a firm submitted an offer by letter. The letter was received in due time, and the answering letter of acceptance was deposited in the post office Monday evening. Before receiving the letter of acceptance the official dispatched another letter Tuesday morning withdrawing the offer, and refused to fulfill the contract on the grounds that he had withdrawn the offer before receiving the letter of acceptance. But the Court held that the time of acceptance was when the acceptor's letter was placed in the post office which, being before the time the letter withdrawing the offer was mailed, resulted in a valid contract.

Therefore, the law is well established that where an offer is made by mail or telegram, the time of acceptance is not when the answering message is received, but when it is deposited in the post office or telegraph office (36 N. Y. 307).

It is not necessary, however, that a letter is deposited in a post office. The Courts have consistently held that where a letter is deposited in a letter box, established and maintained by the United States postal authorities, such a deposit is equivalent to depositing the letter in the post office. Under this decision, if sufficient proof is established to prove that a letter is dropped into a United States mail box, the legal effect identically the same as if the letter is deposited in a post office.

Sometimes a letter comprising an important part of a contract by correspondence is lost in the mails. Strange to say this occurrence does not effect the validity of the contract, as the Courts have held on numerous occasions that when a letter properly addressed is deposited in a post office, the legal presumption is that the letter is received by the addressee. However, under certain circumstances the sender of a letter may have considerable difficulty in proving that the letter actually was mailed.

For example, in a recently decided case a higher Court held that a person who purports to have mailed a letter must prove that it was properly addressed and deposited in a post office or mail box with the postage postpaid, otherwise there is no evidence that the person to whom it is addressed should have received it.

Meeting of the Minds

IT is well established that a contract is avoidable where it is proved that one of the parties was mistaken with respect to his assumed obligations, unless convincing evidence is introduced to prove that the mistake was occasioned

by the complaining person's negligence, as where he fails to read the instrument (135 S. E. 450).

In *Dixon v. Morgan*, 285 S. W. 558, the question before the Court was whether it should declare a contract void because one of the parties who signed it was mistaken as to his obligations. This Court explained the law, as follows:

"The general principle which runs through nearly all of the cases of this character is that, when the legal rights of the parties have been changed by mistake, equity restores them to their former condition, when it can be done without interfering with any new right acquired on the faith and strength of the altered condition of the legal rights, and without doing injustice to other persons."

On the other hand, if the Courts can with a degree of certainty ascertain the intended meaning of the parties, the contract is valid (21 F. (2d.) 257).

Sometimes a contract contains contradictory or ambiguous sentences. The rule is established that where parts of a written contract are pen-written, type-written and printed, and the differently written clauses are contradictory, thus rendering the contract ambiguous, the pen-written parts will prevail over the typewritten and printed parts, and the typewritten words will be given preference over the printed parts.

Fraud, Misrepresentation, Duress

GENERALLY, a contract is voidable where either party is induced by the other to enter into the agreement by threats, coercion, duress, fraud, misrepresentation, or undue influence (283 S. W. 203).

However, if a person who enters into a contract is aware at that time that fraud or misrepresentation is being practised by the other party, both are liable on the contract to the same extent as if the fraud or imposition was not present in the transaction. This is true because neither party was misled into making the contract (280 S. W. 859).

However, "puffing" is permitted provided it does not actually amount to fraud. For illustration, in the case of *Bethea-Starr Packing & Shipping Co. v. Mayben*, 68 So. 814, it was disclosed that a warehouseman solicited storage business from a prospective customer. In answer to the question if the warehouse was fireproof, he said: "It is perfectly safe." The warehouseman obtained the contract. Later the warehouse burned and the customer sued to recover damages on the contention that the contract of storage included the statement that the building was perfectly safe. The lower Court held the warehouseman liable, but the higher Court reversed this decision and said:

"Warehousemen are of the class of bailees known as paid agents, exercising private employment, whose liability and relation is essentially different from that of common carriers. Their duty is to bring to the business in which they are employed reasonable skill and dili-

gence, and they are answerable only for ordinary negligence."

With respect to a contract signed through fear, threats, coercion, or the like, the Court in a leading case (84 Atl. 131) said:

"That a contract obtained by duress or acts of coercion or intimidation may be invalidated is well settled. Under such circumstances the party coerced is not exercising his free will, but executing the will of the party who subjects him to the coercion; and therefore, the instrument bearing his signature is not the contract of the party against whom it is sought to be enforced. Such contracts are procured by duress, and may be invalidated. The test of duress is not so much the means by which the party was compelled to execute the contract as it is the state of mind induced by the means employed—the fear which made it impossible for him to exercise his own free will. The threat must be of such a nature and made under such circumstances to constitute a reasonable and adequate cause to control the will of the threatened person, and must have that effect; and the act sought to be avoided must be performed by such person while in such condition."

On the other hand, where a creditor has a just claim against another for money criminally obtained, it is not unlawful for the former to threaten to prosecute the debtor if the claim is not paid, provided he intends to prosecute although the money is paid. In other words, a threat of lawful imprisonment is not duress, unless it is made for an unlawful purpose, such for instance as compelling the satisfaction of a debt by payment in money without intention of prosecuting the guilty person. If, in connection with the threat, it appears that the creditor declared he would prosecute if the claim was not paid, with other evidence showing that his intention was to use the criminal process to collect the debt, or to accomplish an unlawful purpose, the act of the creditor in making the threat is duress. Another form of duress is where a person is influenced to enter into a contract on threat of great bodily harm.

Incompetency of Contracting Party

A CONTRACT made by an incompetent person is invalid and avoidable. Incompetency may result from intoxication, old age, insanity, sickness, persecution, youthfulness, or assumed authority.

Any person who contracts with a minor is bound to fulfill the obligations if the minor insists, but the minor may avoid the obligations if he desires to do so. The same is true with contracts made with other incompetent persons.

It is well established that an employer is not liable for contracts made in his behalf by an unauthorized employee, unless the employer in some manner by word or act led the complaining party to believe that the employee was possessed with the proper authority.

If, for instance, a warehouseman has customarily permitted an employee to

sign valid contracts, he cannot repudiate a contract entered into by the latter without proper authority, where evidence is introduced to prove that the employee had been authorized generally to make valid contracts with customers.

In a leading case (90 S. W. 742) the Court explained the law on this subject as follows:

"Where a man has placed an agent in such a position that a person of ordinary prudence, conversant with the usages of business and the nature of the particular business, is led to believe the agent has a certain authority, and without negligence deals with him on the assumption, the principal is estopped to repudiate the agent's act or agreement."

Another Court explained that although an employer does not authorize his employee to enter into binding contracts, and does not lead others to believe that his agent has such power, yet a contract made by the agent will be held valid if the employer fails, within a reasonable time, to notify the other party that the agent has exceeded his authority (285 S. W. 516).

Legality of Objects

A CONTRACT always is void where its object is illegal, against public policy, tends to effect immorality, or violates a statute (16 F. (2d.) 933).

Also, any contract in restraint of trade is illegal, provided the agreement actually is intended to eliminate or interfere with free competition (18 F. (2d.) 839).

On the other hand, in the very recent case of *Pacific v. Federal Trade Commission*, 4 F. (2d) 457, the United States Circuit Court of Appeals rendered an important opinion in a litigation involving the anti-trust laws.

The facts of the case are that various dealers in a locality were organized in what was termed as an Association. The Association published and distributed among its members uniform price lists to be observed by members of the Association. The members were not at liberty to depart from the prices thus fixed. However, the Association had no rule or requirement that its price lists were to be observed in business transactions without the State. In other words, obtaining business outside the State at prices different from those listed in the price lists was not deemed an infraction of any rule or trade regulation of which the Association would complain. After thoroughly considering all details of the case the Court held the use of these price lists not a violation of the anti-trust laws.

Contracts Against Public Policy

ALL contracts against public policy are void. For example, where an employer enters into a contract with his employee whereby the latter is denied compensation for injuries sustained as a result of the employer's negligence, the contract is against public policy and void.

Still another instance of a contract against public policy is where a common carrier contracts with a shipper whereby the latter relinquishes his right to recover for loss, injury or damage to goods as a result of the carrier's negligence. A recent higher Court explained the law on this subject, as follows:

"The rigor of the common-law rule against the carrier may be modified through any fair, reasonable, and just agreement with the shipper, but does not include exemption against negligence of the carrier." (*Adams Express Co. v. Croninger*, 226 U. S. 491).

Moreover, a contract is void where a warehouseman contracts with a customer in view of relieving himself of liability for loss or injury to stored goods as a result of his negligence.

Consideration of Contract

ALL valid contracts must have consideration. That is, all parties to the contract must agree to do a specific thing. However, a promise to do something is valid consideration. For illustration, in *American Co. v. Kennedy*, 48 S. E. 868, the Court explained:

"Where the consideration for the promise of one party is the promise of the other party, there must be absolute mutuality of engagement, so that each party has the right to hold the other to a positive agreement. Both parties must be bound, or neither is bound."

In *Smokeless Co. v. Seaton*, 105 Va. 170, 52 S. E. 829, the syllabus is as follows:

"Where the consideration for the promise of one party is the promise of the other party, there must be absolute mutuality of engagement, so that each party may have the right to hold the other to a positive agreement."

On the other hand, where one party to a contract does not agree to do something, the contract is void. For example, in *Keating v. Flaherty*, 221 N. Y. S. 127, it was disclosed that a person signed the following contract:

"I hereby agree to assume the indebtedness of W. Gordon McCabe & Co. to Thomas F. Keating, to the amount of three thousand dollars (\$3,000) balance of salary for year 1921, and agree to pay same to said Thomas F. Keating.

T. P. Flaherty."

In this case, Keating performed no act with respect to Flaherty and, therefore, the agreement was held void for lack of consideration.

Also, in *Becker v. Krank*, 71 N. Y. S. 78, the following contract was held invalid and unenforceable:

"We, the undersigned, . . . hereby agree to pay David Bradt, . . . a bill of \$265.50 against Church & Jones between now and Tuesday, next week."

Distinction Between Verbal and Written Contracts

GENERALLY, a verbal contract is equally as binding as a written one. The important distinction between the two kinds of instruments is that during a Court proceeding a written contract speaks for itself, whereas testimony

must be introduced to prove the details of a verbal agreement. Moreover, the introduction of verbal testimony for the purpose of varying the contents of a written contract is not permitted, unless fraud or the like was practised by one of the parties in inducing the other to enter into the contract.

It is well to remember, however, that generally all contracts relating to real estate must be in writing, or the same are unenforceable.

For instance, verbal agreements relating to leases, purchase of real estate, rentals, and the like are invalid.

Bank Paper Simplification

Simplified Practice Recommendation No. 50, dealing with bank checks, notes, drafts, and similar instruments, has been reaffirmed without change for another year, effective Jan. 1, the Division of Simplified Practice of the Department of Commerce has announced.

The original recommendation as adopted by the industry reduced the numerous forms to one for each document. The industry reported to the Division of Simplified Practice that gratifying progress has been made toward the general adoption of and adherence to the standard check forms, and that continued effort on the part of all concerned would further reduce the number of non-standard sizes.

Action on Envelopes Deferred

The revision committee considered the use of window envelopes, and the products of commercial manufacturers and the United States Post Office were taken up with a view to recommending one size suitable for transmitting standard commercial instruments. Such documents would include not only bank checks, drafts, and notes, but inquiry, purchase order, and simplified invoice forms. The committee believes that all requirements will be met by envelope 3% by 8% inches with a 1 1/4 by 5 inch window, located 3/4 inch from the left hand end and 7/8 inch from the bottom of the envelope.

Final action on this change has been postponed pending consultation with Governmental and non-Governmental producers.

Seattle Blaze

Fire in the early morning of Dec. 24 destroyed quantities of flour, foodstuffs, paper and clothing on the third floor of the Connecticut Street merchandise storage building of the American Warehouse Co., Seattle. Canvas coverings were placed over the goods on the second and first floors, after the blaze was discovered, and these prevented other than negligible loss from water pouring down from the third story.

J. E. Barnett, the company's secretary, estimated the total property loss at \$100,000, virtually entirely covered by insurance.

Use Your Bank Check to Advertise!

*The Average One Passes Through the Hands of Forty-two Persons—
and Some of Those Persons Are Potential Customers*

By WILLIS PARKER

A BANK check passes, on an average, through the hands of forty-two persons from the time it is ordered drawn until it is cancelled by the bank, returned and is filed. If, somewhere upon it, there is any advertising, it is obvious that it is one form of direct mail advertising that never finds a place in the waste basket—except by accident.

Investigators have further revealed that, of the forty-two persons who handle the check in its journey to the payee and back to the maker again, *ten* are potential customers—ten persons who might be led to patronize the firm if, on the face of the paper, there was some sales promotion message!

What are you doing, Mr. Warehouseman, to profit from this form of publicity?

Are you advertising yourself and your business, or are you advertising the bank which handles your account?

A WAREHOUSEMAN in the Middle West plays up the name of the firm in more than ordinary manner, for the space occupied by the firm name equals about half of the total space on the check. The name is of original design and lithographed in such a manner that the letters are white on a shaded or cloudy background. The paper is of a highly protective type and is a cream color. Across the left end of the check is the message "Fire-Proof Warehouse" in red letters about a half an inch high. The bank's name is in small red letters in the left lower corner.

Here is a case wherein the principal advertisement, probably, is the fact that the firm operates a fireproof warehouse. The position of this message and the color of ink used to reproduce it are such that it attracts attention and therefore has an opportunity to register in the minds of those who chance to see the check. The firm name is prominent, too, owing to the size of lettering and the singular design used. In addition to being lithographed upon an excellent grade of protective paper, the extent of the design would make it more difficult for a crook to reproduce.

Another warehouseman uses a panto-

graph design of his trade-mark or monogram over the face of the check. This is reproducing the little design dozens of times and joining each individual unit with the others to form one continuous scheme. There is a break in the scheme in the very center of the paper, for here is reproduced, in tint as a part of the general color scheme, the picture of the company's warehouse. Around the edges of the check is a bank border in which, at the corners, is interwoven the monogram by reversed cut. The firm name extends across the top in plain letters. The bank's name is in the lower left corner and would be somewhat inconspicuous unless it was printed in red, as it happens to be in this case.

This warehouseman has combined safety qualities with his advertisement; for, on account of the dozens of times the monogram is reproduced in tint and the general design of the check, it would be difficult to reproduce.

From an advertising standpoint, it is excellent. Regardless of where you may let your eyes fall on the face of the check, you see the advertisement. It is under the bank's name, under the name of the payee, under the amount of the check.

We must not discount the primary purpose of a bank check—that of transferring moneys from one firm to another or from one person to another, and, after it has accomplished this task, been cancelled and filed, serving as a receipt; nor the secondary feature of doing this work without loss to the firm through fraud or forgery somewhere along the line. And we are not criticising the warehouseman who has failed to give advertising due consideration.

But, fortunately, all three of these virtues—transferring moneys, protection and advertising—may be combined without lowering the efficiency of any one of them.

It is equally fortunate that, instead of decreasing the protective qualities of a check, advertising placed upon it may increase them. The matter of convenience to the firm's accounting department need not be sacrificed in the least.

Another storage firm reproduces in half-tone tint the picture of the warehouse in the center of the paper and in a color that contrasts with everything else on the check. Still another does the same thing with a picture of a motor van, thus giving the hauling end of the business more prominence than the warehouse end. The telephone number is given prominence on the checks of another warehouse company, which also lists the kinds of services offered.

Slantwise across the end of another concern's checks is the business slogan in a color that contrasts with everything else on the check. The slogan is impressive because of the peculiar placement and the color scheme.

In our efforts to increase the advertising properties of our bank checks we must not overlook the name and address of the bank on which the check is drawn—a most important though somewhat minor detail as far as advertising is concerned. Yet it is not necessary to give the bank all of the credit for existence.

Our investigation indicates that 75 per cent of the business houses depend upon their banks to furnish them with check books. Naturally the bank gains

the most publicity from such a method. Many a business man who would hesitate to write a letter on his bank's stationery to a business prospect, does not hesitate to use the bank's stationery in paying his bills. Sufficient prominence for the purpose of clearing the check may be given the bank by printing the name in small letters in a color that contrasts with the general color scheme.

Twelve Classifications

THROUGH a confidential arrangement, the writer was permitted to examine checks, representative of several hundred business houses in all parts of the United States, to ascertain how they were using their checks as advertising mediums and to uncover some of the principles of such publicity. The results of the investigation place the methods used in a dozen primary classifications of which combinations of two or more were used. They follow:

No. 1—Advertising the quality and stability—the prestige—of the firm and its service by expensive lithography in several colors on a high grade, protective paper.

No. 2—Reproducing the picture of the business establishment in a tint in the very center of the paper, or by reproducing the same picture in a heavier tint

in the upper left or right hand corner with nothing to be written over it. Likewise giving a similar treatment to the trade-mark or some other feature associated with the business and the individual concern.

No. 3—Using a pantograph design of the trade-mark or monogram in tint over the face of the check.

No. 4—Using a border constructed of the firm name, the monogram or even a stock design, and inserting somewhere in the border the business slogan or some fact pertinent to the business.

No. 5—Using colors of paper stock and printing that will attract attention. Orange and black form one of the most attention-arresting combinations.

No. 6—Playing up the telephone number as a bid for telephone orders.

No. 7—Peculiar placement of the spaces in which the amount of payment and the payee's name are placed.

No. 8—Listing the kinds of merchandise carried or the varieties of services rendered.

A Touch of Humor

No. 9—Inserting a touch of humor by a humorous business slogan or by caricatures of mythical characters associated with the nature of the business or with the individual concern.

No. 10—Peculiar typography, such as

running the business slogan slantwise across some portion of the check and emphasizing it with a color that contrasts with all else on the check.

No. 11—Using a design and character of lettering that ties up with other forms of advertising used by the firm, such as reproducing in tint the bulletin boards used by the firm.

No. 12—Reproducing in half-tone, and just before the signature line, the portrait of the man who signs the checks.

Conclusion

IF the warehouseman has several accounts for the purpose of facilitating his bookkeeping, he will find that those checks classed as payroll checks contain the greater advertising possibilities, for they are more generally circulated; may be cashed almost anywhere—the corner grocery, the cigar store, at the druggists, or they may be given by the payee in payment for merchandise purchased or services rendered.

While the accounting department usually is more interested in the safety and convenience in handling qualities of the checks, it seems that the advertising man should be called into the conference and a plan whereby advertising, safety and convenience in handling could be worked out.

New Utility Tractor Adaptable to Warehousing Is Introduced By Gates-Wimbush Motor Co., Denver

A NEW utility tractor has been placed on the market by the Gates-Wimbush Motor Co., Denver. It is a complete Ford unit with starter, lighting equipment and standard Ford engine with the Ford worm drive rear axle.

"It's outstanding advantages," according to Grant Wimbush, representing the company, "are its small size combined with strength and flexibility, low first cost, durability, simplicity of operation, simplicity and low cost of maintenance. All wearing parts that might need replacement are standard Ford parts listed in any Ford parts catalog. The dimensions are:

"Maximum width overall, 44 inches; height, overall, 57 inches; wheelbase, 54 inches. Wheels, 20 x 5 solid rubber tires. Can turn on an eight-foot platform. Travels up to ten miles per hour in high gear and has an abundance of power for hauling a train of express trucks.

"It can go in and turn around in a box car. It has a wide scope of service on dock or platform, tremendous power, and flexible control. Its size permits use where a larger unit could not enter.

"This tractor was built in our shop when a request came last year for a truck that could turn in a small radius and still have strength enough to do heavy duty work—one that could be used

on platforms and in closed buildings.

"Now that the new Ford car is on

the market its motive power is being adapted to a truck of similar design."



The Gates-Wimbush utility tractor adaptable to warehousing

H. A. Haring's

New Business for Warehouses

XXVII

After You Get the Account
—What Follows?

WHEN a dealer sells, much of his thought runs forward to the next sale to the same customer. If he plans to remain in business he knows that repeat sales cost less to develop than initial ones; he, therefore, makes special effort to please any customer whose trade is desirable. Following this idea, salesmen's training courses stress greatly some such suggestion as: "After you make the sale—what follows?"

With the warehouseman who gets a new account somewhat the same situation, is present, even though warehousing does not sell a commodity but has only a "service" to offer. That "service," moreover, is not a thing which the patron buys repeatedly as he buys a railroad ticket—each purchase an independent transaction. The warehouse "service," on the contrary, is a continuing "service"—implying, as it does, an intimacy of relations and a cheerfulness of cooperation that make fast business friendships among those who get on well together or that engenders endless ill-will among those who become dissatisfied with each other.

For the manufacturer to launch into public warehouses for his spot stocks, means, as we know, that his

whole method of doing business must be altered. His private storehouses drop out of the picture; his routine methods must be revamped; shipping departments must be reorganized; the whole procedure of records and of handling orders through the office must be changed. The change is about as fundamental as for the family to give up their detached home, store three-fourths of their belongings in a furniture warehouse, and live in three rooms and a kitchenette. To embark on public warehousing, for the manufacturer who has not tried it, is a change in business not to be lightly undertaken—the whole structure of his distribution must be re-adjusted.

To sell the warehousing idea, accordingly, is not a simple matter. The warehouseman knows that selling of this type cannot be done in a hurry with high-pressure methods. To sell a "service" of this sort is a long process of educating the prospect. It demands repeated solicitation, with a gradual piling up of reasons and compelling exhibits. No easy task, this. Yet it is absolutely necessary, if the warehousing industry hopes to develop a volume of storing equal to the capacities of new structures that we see rising in every city.

Accounts May "Switch"

THE sad side to warehouse solicitation is that the warehouseman who thus takes the time and shoulders the cost of educating a prospect may see all his work swept off the board by having the account "switch" to another warehouse. The personal satisfaction of knowing that his efforts and his planning have won over another convert to public warehousing becomes bitter gall when he finds that a rival's "profit and loss account" gets the money benefits.

In selling commodities a like situation arises, which is met by a local dealer or a local wholesaler making with the manufacturer an "exclusive agency contract"—it being the nature of such an agreement that no other is permitted to sell the commodity in a given territory. Thus the exclusive agent feels warranted in pushing the product, it being rather certain that any sales within his zone will accrue to his benefit.

With warehousing, however, there can be no exclusiveness. Even if one warehouse, or one combination, were to control a city's storages, no way exists to prevent others from entering the field (except to a limited extent in such a State as California where an effort is under trial to require "public convenience and necessity" for a new ven-

ture). Inasmuch, therefore, as the warehouseman is helpless before the wiles of competitors to get his accounts, the only way to prevent "switching" is to bind the patron so firmly, to create such a loyalty, that he will not so much as flirt with another.

"The delights of a perfect dinner linger long after the price is forgotten!"—thus runs the slogan of one successful restaurant. And each of us, from experiences as a purchaser of goods, goes repeatedly to the same place year after year—without really a conscious comparison of that with other places—just because satisfaction has been complete.

The identical thing occurs with warehouses. Says one warehouse:

"We are running 85 per cent full. It may be said that we have created new business for ourselves, and we have not been satisfied with fighting over local business. Under our present solicitation plan we are attracting new business to our city from various parts of the country. To do this, it has been necessary to sell our ideas to manufacturers, and, having once sold the idea, it is comparatively easy to clinch the business before it actually gets into our city. In this way we avoid local competition."

And, that warehouse might fittingly

have added: "When we get it, we hold it by superior service."

In another city, where price-cutting runs rife, the publishing of tariffs has been discontinued because other warehouses, and one in particular, "is out to get the business at any cost by quoting rates to get the business without conforming to local conditions." But one warehouseman of that city, known everywhere for his perfection of service, while deploring the chaotic rates being quoted, yet is able to report:

"I do not know how long this condition will last, but I am frank to say that it is not hurting us in the least. In fact, our business has increased."

It has increased, as that of the first-quoted warehouseman runs 85 per cent, for reasons the reader will guess without a suggestion: their patrons receive such excellent service that no rival can "switch" the account.

Service that binds patron to warehouse is more than rates; it is more than Standard Terms and Conditions; it is more than anything written or spoken—for it is that most intangible of all things in business, Good-Will, that comes from satisfactory business relations.

"It's not because we've never disagreed," declares one manufacturer with

fifty warehouse stocks. "Unfortunate things are bound to occur. But it's the way they behave when things do go wrong. Some of them are as cold as a railroad claim department. Others behave like men."

Continuing the same thought, he gives this significant suggestion:

"In every business some men will be their worst enemies. They make it so disagreeable to transact business with them that they are constantly tempting us to go elsewhere. We feel about them as we do about the railroads—just a lot of printed rules with an army of wanting-to-quit-the-job fellows to carry them out. A solicitor who comes around three weeks later to try to smooth out a quarrel finds us already doing business with a competitor, and anything he does or says flops because we've already quit them."

What Does Hold a Customer?

ONE warehouseman once related this incident:

"The F. Co. stored with us four or five years. Every month their voucher came in, full amount without any grief, regular as the clock. Their account worked up till we had half of one floor filled with their stuff. Then, without saying a word or giving me a chance, they moved into that B. warehouse. When I went in to see them at their New York office I got no satisfaction. They told me about a lot of little things they hadn't liked, but the story sounded like a divorce case where incompatibility is the charge—a world of nothings that didn't amount to a thing when told to the Court but that showed a life-time of little nagging. But the worst was when they asked me why I'd never thanked them for their checks. Get that?"

"They said they'd paid me thousands of dollars but that I'd never showed any appreciation for their account—never been to see them in the whole five years."

This New York account is one that every warehouseman covets. It was lost, according to his own tale, by this warehouseman because he neglected to keep in close touch with them. His warehouse foreman and his clerks probably did their routine work properly, but the account "switched" because the warehouseman failed to make possible those informal discussions of warehouse problems that the storer was accustomed to have with other warehouses. He had even overlooked the chance to write personal letters, with the human touch, to show his willingness to serve them to the best of his ability. Today, to his sorrow, that warehouseman knows that every good customer on his books is also on the "prospect list" of one or more of his competitors, and that he is his own worst enemy when it comes to holding them.

Another angle as to letter-writing was brought to attention by one of the "good accounts," who remarked:

"Whenever it has been hard to collect an account and when it's been a close squeak from a lawsuit, the creditor will

write a nice letter after the check comes through. Our company believes that when old customers regularly pay their accounts it's no more than fair for us to thank them. We don't of course gush over them and we don't thank them every month, but twice a year we go over our customers in rotation and write them a careful letter just to thank them for their business and for their promptness. It's like the old groceryman who gave you a cigar when you paid the wife's weekly bill—to show good-will.

"The big trouble with all of us in business is that *we don't think ahead*. When something goes wrong, we're full of pep. When things go smooth, with orders and vouchers in the mail without any question, we don't go out of our way to do the polite thing. But there's nothing will make a customer stick when things do slip like having built up, beforehand, a strong under-feeling of courtesy."

In all our cities the department stores, even with their thousands of customers and all the impersonality of their dealings, have learned the value of periodically writing to customers, on some plausible pretext, to express gratitude for their business. At least one of our great railroads has for two years followed the same plan, its letters bearing the personal signature of a vice-president.

The president of General Motors is known for his habit of dictating, and personally signing, letters to unknown individuals. Be the occasion for the letter ever so slight, the effect on the recipient is wonderful—and it makes no difference whether that individual is a State distributor of the product or a corner policeman or the editor of a country newspaper. The effect is the same, everywhere: immense good-will for General Motors, good-will so real that all the woe of a roadside breakdown is soon forgotten, and, when next buying a car, it is a car made by General Motors."

In the selling of merchandise a highly important question is: "What makes the second sale?"—which query is but another form of the problem that is common to every business man. That problem is "repeat sales." It is the test of satisfied customers—and without satisfied customers no business can continue prosperous. With the warehouse, as it offers a service rather than a commodity, the same problem takes only a slightly different form. It may be put as: "What does hold a customer for a warehouse?"

The warehouse must, of course, serve with unflinching promptness, with care and with courtesy: it must render reports with accuracy and invoices without delay. It must not overpromise, nor offer too many excuses instead of performance; its charges must be right; its reliability and integrity must be unquestioned.

Yet all these things are done by warehouses which still have not "tied" their patrons to the house by any bond of good-will that will survive a strain.

A touch of personality is needed—

something that will elevate the warehouse from being a machine into being a living and throbbing personality.

Said one traffic manager to me (and his company patronizes upward of 150 warehouses):

"A lot of warehouses mean no more to me than freight cars. Their names are as dead as car numbers! Then some others seem so close that I like to see which man signs the forms that come in—they're like letters from a friend, even if they are nothing but routine matters—and, every once in a while, a real letter comes in or one of them drops in for lunch. Ours is a big corporation, I know. But it's run by humans and we like the chance to talk things over, even when there's nothing special to talk about."

Another slant on continuing to call on established customers may be seen in the talk of the president of one of our automobile manufacturers, speaking to a convention of his salesmen. He stated to these men:

"The most important call any salesman can make is the call he makes after he has sold a customer—the call he makes after his merchandise has been delivered. . . . Most of the things we do are imitations of what others do, or repetitions of what we have ourselves done before. That salesman who cashes in on this trait of human nature cannot help but build a thriving and profitable business, providing, of course, he sells a good product.

"More important than any call you make on a prospect, more important than all the advertising your house does, more important than all the prospective customers in Christendom, are the customers you have already sold. In their hands lies your future success—or your failure."

Don't Be Sanctimonious

IN calling on old customers, don't be sanctimonious. Don't be high and mighty. Speak the right language of sincerity.

The purpose of your call—or of the letter you write—is to cement business connections into good-will. Possibly the best test of your approach is the old one of stopping to consider how what you say would strike you if you sat in the other man's job. You can easily bring to memory all those glad-hand, breezy, empty-pated fellows who have called on you for a lifetime—taking your time for no good purpose. Better is it, far better, never to make a follow-up call or write a good-will letter than to do it weakly or sloppily.

Good-will is strongest where seller and buyer understand each other, where they are enough acquainted to have an idea of each other's mode of thinking. When they do thus understand each other, it is simple to work together so that each makes a profit out of the transaction. Never has there been a time in America when so great a premium comes as it does right now for originality of thought and originality of action.

A thousand warehousemen surround each storer with their appeals for his account, battling rather fiercely for his monthly voucher. If, therefore, you already have the account you can do nothing better for your warehouse than to spend a few hours a month studying its peculiarities with a view to bettering your service or making the patron understand the difficulties he places in the way of greater satisfaction or learning from him how other warehousemen handle his account or getting his viewpoint over the trifles that do not move smoothly.

Remember, as you do your thinking, the head waiters and the dining car stewards who are too busy to see you whenever their service is faulty but who, at other times, smile down on you with "Everything all right, Sir?" in such a manner that, no matter how hot your temper, you are forced to reply "Fine!"

Do not, therefore, be sanctimonious. To do so means to be ridiculous. There is always a way to make the approach that will indicate your sincerity, attain your purpose, and, with it all, leave be-

hind those pleasant recollections that make men like you. Those are the essence of good-will.

It doesn't "just happen" that some business concerns enjoy a world of good-will while others are as impersonal "as freight cars." It is much like looking out of a door: you may see an onion bed or you may see the stars, according to the way you look and what you look for. So business relations may be every day building good-will or they may be filled with dynamite for your warehouse, according to the spirit in which your warehouse does its part, and—by no means unimportant—how cleverly you get that spirit across to the patron. You must make him understand your side of the transaction so that he will appreciate the sincere desire of your organization to satisfy.

This may be done, by occasional calls and by frequent letters, without becoming superficial or "mushy" or "Willie-boy." It may be done, for one illustration, in the way the railroads have won the cooperation of shippers (through setting up the regional advisory boards, which have taught shippers the rail-

roads' troubles in such a manner that shippers are helping where once they grumbled).

Do It Yourself

THUS to build good-will is not for a lazy warehouseman. It demands ingenuity and thinking.

Calls for the purpose of holding established accounts should be made by yourself—not your solicitor nor your claim agent nor your teamster. One call in three years from yourself on a distant storer, supplemented by occasional letters of the right sort, will do the trick—the trick being to let the storer know that your warehouse is more than a thing of bricks and concrete. Whenever an employee can do this for you, better watch him—for he will be starting a warehouse for himself. Such a man has mastered the secret of getting the business.

Remember, too, that "Ten-dollar hospitality on a one-dollar man is eleven dollars wasted." Do it yourself—but, make sure that you do it with the right man.

How a San Francisco Company Builds Business With a Direct by Mail Advertising Campaign

By S. Lewis Brevit

THE direct by mail campaign of the Walkup Drayage & Warehousing Company of San Francisco may be summed up by saying that it's another home run for the right-to-the-point type of advertising.

W. G. Walkup, the firm's president, is an advertising man! His method of alternating effective letters with equally effective folders is a model of efficiency. No wonder, with five years of that kind of advertising, his drayage and warehousing business has grown from one of the smaller firms in this line to the present equipment of three warehouses with 320,000 square feet of storage space, and a fleet of 72 motor trucks—all productively busy day in and day out.

Even a brief examination of the Walkup direct mail campaign for 1927 shows plenty of good reasons for its effectiveness.

In the first place Mr. Walkup has evidently made an accurate appraisal of his *advertisees*—the heads of manufacturing firms in the East, of distributors in the West, and of exporters and importers. Such up-to-the-minute executives, reasons Mr. Walkup, would not need to be "sold" on the economy and efficiency of the principle of warehouse-and-drayage service. Then why waste space and money in talking to them on the general theme alone? So Mr. Walkup tackles the problem, not of boosting warehousing and drayage, but of telling,

in the most direct and simple manner possible, wherein *Walkup* service should be attractive to his prospective customers.

The opening gun of the 1927 spring campaign, a letter mailed out under date of March 15, is a letter that any executive, even the busiest, would pause to read for its very simplicity and brevity:

(Name and address filled in to match multigraphed letter.)

(Salutation also filled in, as the letter is addressed sometimes to firms, and sometimes to individuals.)

"We offer you every facility of modern warehouse service, plus—

"—a fireproof steel and concrete warehouse, which gives you the benefit of the lowest insurance rate in San Francisco.

"—the efficient service of 64 motor trucks.

"—personal attention that enables us to function as efficiently as if you were right here to personally direct every delivery.

"We should be happy to serve you.

"Sincerely,

"WALKUP DRAYAGE & STORAGE CO.

(Signed in ink.)

"President."

The letterhead form itself, however, carries the main "selling" message. This letterhead is a four-page halftone-

illustrated form printed in sepia ink. The front page displays the photograph of the latest and largest of the Walkup warehouses. Inside, the double page spread is well illustrated with various scenes of Walkup activity—from a line-up of the trucks to busy "interiors" in the warehouses. The center of the two-page display is taken up with a brief printed summary entitled "What Walkup Does—and How—and Where." The rear page of the letterhead-form features an interesting interior view. Also six printed testimonials which, though unsigned and undated, have a true ring to them.

Now, any "clever" writer of advertising copy would be tempted to sniff "There's nothing to that." But Mr. Walkup can quickly prove there is a whale of a lot to it—three big warehouses full and 72 busy trucks.

The next month, the campaign is varied to this extent, that instead of mailing the selfsame letter to all of his prospects, Mr. Walkup segregates the list of names into three classifications, as follows:

1. Eastern firms.
2. Pacific Coast firms.
3. Western coffee importers.

The four-page letterhead is still the same, but, to each of the above lists, Mr. Walkup sends a differently worded

(Concluded on page 53)

Training Warehouse Salesmen

By L. J. JOHNSON,

Secretary, Johnson Moving & Storage Co., Denver, and
Secretary, Colorado Transfer & Warehousemen's Association

**Business Getters Have Entire
Industry to Further Rather
Than One Particular Firm**

As Told to WILLIS PARKER

THE transfer and storage companies should train their solicitors to follow only ethical practices and sales plans. We seek to train our men to be conservative. We are not in business for our health; we are entitled to a profit on the service we render. But we must not take advantage of the ignorance of the public and strive for more than a legitimate profit.

If a customer has a few pieces of old furniture to store—stuff that you and I admit has very little monetary value—it is not good practice to talk the customer into having that furniture packed and crated for storage, particularly if the customer is not wealthy. That kind of a customer will acquiesce at the beginning but later will complain to himself and probably to his friends

about the exorbitant charges made by warehouse companies for service.

This is a case wherein the complaint is directed not only against the industry as a whole, but reflects in particular on the firm selling the service. Hence our first rule is:

"Don't Overload Your Customer."

On the other hand, where the customer has good stuff and can afford to pay for extreme carefulness in handling, the salesman should encourage him to buy the best of service, for he will be better satisfied in the end, will not complain about the cost, and will be a booster for your service—not only for your particular service, but for the warehouse industry's service.

I BELIEVE that one of the worst features of our industry is our lack of salesmanship. We haven't given this angle enough attention. Our salesmen should be chosen for their salesmanship qualities and not for their knowledge of how to pack a piece of furniture or load a van. A good salesman doesn't need to cut prices or fight competitors by the price route; he'll sell his firm, his firm's personality and service, and price will not be such a vital consideration on the part of the prospective customer.

The question, then is where will we find our salesmen? Will they come up from the ranks of packers, craters, strong men, truck drivers? Or will we go outside of the industry and seek white-collared men who know human nature, who know where the dotted line on the order blank is, and who can recognize the psychological moment?

In my judgment we generally must go outside of the industry for our salesmen.

A man need not know packing from A to Z to sell the service. Neither is it necessary for him to know how to drive a van or load a truck to sell transportation service. A good salesman should be able to spend a week or two in the establishment, watching the packers, inspecting the storage facilities and the excellent practices followed by modern warehousemen, and get enough material around which to build his sales arguments and then sell the firm's service without the question of price coming up eternally.

On the other hand, we have men in the lower ranks who are worthy of advancement. Many of them are natural born salesmen but have gotten into the wrong niche. These men should be sought out and trained and given their opportunity.

The inexperienced solicitor, or the one lacking in salesmanship, will endeavor to get business on a price basis. We endeavor to get our men to figure carefully the first time, allow us a profit on the job and not hold up the customer, make the price and stick with it, meeting all objections in regard to price with sales talks on the kind of service we render. In this manner we give credit to the industry as well as ourselves. It is an easy matter for a customer to feel that, when the warehouseman seeks business on a price basis, there is an excessive profit in the business and therefore prices can be cut several times and still provide a legitimate and probably excessive profit to the company.

No Promiscuous Revision

We never permit our men to revise their figures promiscuously on the excuse that they are checking over the bid; then assuring the customer that they made an error in calculations and that the price made was a few dollars too high. We feel that the public will suspect that we have inexperienced men on the job, and, if our men are inexperienced and careless in figuring a job, we probably have inexperienced or careless packers and haulers in our organization.

Nor do we permit another salesman to see the first salesman's customer and offer a lower price, giving as an excuse that the first man was not fully cognizant of estimating. The prospect naturally wonders why we should permit an inexperienced estimator to call on him.

When we all employ salesmen to sell our service instead of prices we will have less wrangling among ourselves.

We never permit our salesmen to become so enthusiastic that they subtly knock a competitor's service, for you never know how the customer will take it. In most cases the prospect will see through the subterfuge and will be suspicious of you as much as he will be suspicious of your competitor. When two competitors start knocking each other, neither is likely to get the business; some other man will.

Also, we do not permit our men to "butt-in" on another company's representative if we are both bidding on the same job. For example, if a competitor's man is in the house discussing the job with the customer and I wander in shortly afterwards, my presence interferes with him and I am unable to present my arguments because he is present. It may result in an endurance contest to see which one of us can outstay the other. A third party may get the job in the end. It would not hurt me one bit to stay outside, when I noticed that my competitor's automobile is parked in front of the house. He'll get through quicker and I can get in sooner.

THE BUSINESS MAN'S BOOK SHELF

Railroad Transportation

"Principles of Railroad Transportation." By Emory R. Johnson and Thurman W. Van Metre. D. Appleton & Co., New York. 617 pp. \$3.50.

THE first-named author is one of the best known writers in the field of railroad questions. He is professor of transportation for the University of Pennsylvania. The second-named author holds a similar position with Columbia University.

Professor Johnson nearly twenty-five years ago published a book with the same title. That volume has for all these years been the standard work for students, being used as a college text book rather generally. The early book has been rewritten three or four times, and the present edition represents the latest revision, the work being shared by the second author. The present edition takes into account railroad changes during the time of Governmental control and in the transformation following the war.

It is an accurate and thorough presentation, for students, of the history of American railroads and the problems connected with their operation. Being designed for college classes primarily, the authors have given considerable space, in each section, to the history. The first 100 pages are devoted largely to the development of our railroad systems, and everywhere in the volume an effort is made to give the student the background of history and "reasons why" things of today are what they are. The book contains, also, a list of questions and topics for study, covering about 30 pages, designed to give the student definite problems to think out.

The text book purpose pretty accurately defines the contents. History is stressed, development is pictured (track laying, locomotive types, passenger coaches, sleeping cars, express and mail service, terminal operations, etc.); the theory of railroad capitalization is detailed; similar treatment is given for the organization of railroads, freight structure, passenger revenue, "non-operating facilities," pools and traffic associations, monopoly and competition, etc.

An important portion is devoted to the public relations of railroads, which is a necessary matter for students to understand. The whole matter of Government regulation is discussed clearly and interestingly, with the history of legislation and Court decisions, the volume ending with a full account of the new problems since Government control was relaxed.

"Port Development"

"Port Development." By Roy S. MacElwee, Ph. D. The McGraw-Hill Co., New York. 456 pp. \$5.00.

THE author has published a number of books on ports and port problems, with experience both abroad and in this country as foundation for his writings. He was for a brief time director of the U. S. Bureau of Foreign and Domestic Commerce and for a number of recent years he has been Port Commissioner at Charleston, S. C. He writes, therefore, with a background of wide experience not only as a student of port shipping but as the responsible head of one of our important "port developments."

Any warehouseman in a port city, and any traffic manager who has to do with exports, will find in this volume many hours' reading of a most absorbing nature.

The author makes clear that numerous factors are necessary to bring a port into competition for ocean shipping. Terminal facilities alone, important as they are, will not make a port a successful commercial gateway. Facilities beget port business and solicitation stimulates ocean shipping through a port; port development, in his judgment, depends on the business-getting ability of the community as a whole.

"There is little difference in principle between port develop-

ment and any merchandising enterprise. The facilities must be provided (the plant) to produce a service (the product) to be sold (the sales organization) on the basis of the low cost of shipping (the price) through the port. The port's competitive ability depends upon the cost and the service to the shipper. But even if there is an advantage in these items and nothing is said to the public about them, the development of the port will be slow, or these advantages may soon be out-classed by some more ambitious and energetic port."

Millions may be expended for perfect port facilities but unless they are brought to attention of shippers at the psychological moment—when they have something to ship—the goods will not flow that way. Even then goods will not move through a port unless a second element is properly balanced. This is the "load factor," by which term "is meant that a ship bringing a cargo to a port will get another cargo out."

The port that can assure a full cargo both ways will win. "While full loads both inward and outward are desirable in order to afford the most profitable operating conditions for vessels, they are rarely obtainable in practice. Our exports to Europe during recent years have been about seven times our imports. At Newport News in the year 1918 the exports were nearly seventy times the imports."

The maintenance of shipping service at any port hangs not on the port facilities and not on the advertising of the port but "upon the availability of profitable cargoes." This is a point immensely essential both to port authorities and to those who wish to ship through a terminal. Our trade with Japan is woefully unbalanced—for every ton Japan ships to us we ship fifteen or sixteen in the opposite direction. New York, on the contrary, is pre-eminently a balanced port with almost exactly 50 per cent of the total tonnage moving in both directions. Any vessel, therefore, entering New York with a full load is reasonably certain to obtain a full cargo outbound.

At New Orleans the balance is so nearly even as to be considered favorable (57 per cent export and 43 per cent import), and at Baltimore (55 per cent export and 45 per cent import), as also at Philadelphia (48½ per cent and 52½ per cent)—and from this showing one can understand why those ports hold their own against rival cities.

This one factor sheds light on the whole port question. It shows why the great ports of the world remain so little affected by the smaller ports that have put forth great efforts to build up shipping by means of more modern facilities. Thus one can understand why commerce submits to the high costs of hauling freight to New York from areas that should export through other cities. Freight still goes through New York, despite the uneconomic movements and the exorbitant charges. The reason, according to this author, is: *Because New York is the greatest tonnage market.*

These are matters not always understood. Yet they are highly important for warehousemen who have port locations or for traffic managers who handle exports and imports. The rate structure of freight charges to and from the ports becomes of secondary importance, as does also the cost of warehousing and handling through the port, in comparison with the total tonnage of that port, because the ocean-moving tonnage controls the ocean rates, which are more essential than the rail rates to and from the port.

Three chapters—more than 100 pages—discuss "Port Competition at the Terminals." The author begins by stating: "With the exception of New York, port development in the United States has been of one railroad, by one railroad, to serve one railroad. . . ." "One of the most cogent reasons why American ports are lacking in coordination today is because the railroads will not and cannot abandon the last element of competition left to them—the competition at the terminals." Then follow a hundred pages of absorbing reading that presents one port after another, both here and in

Europe, with a description of its "reason for being" and its competitive standing.

The book as a whole, for anyone who is the least interested in port shipping, is apt to delay bedtime for about seven evenings during the first week after buying it. It is, for a business book, unusually gripping; and, furthermore, unusually profitable to the reader.

"Motor Transportation of Merchandise"

"Motor Transportation of Merchandise and Passengers." By Percival White. The McGraw-Hill Book Co., New York. 486 pp. \$4.00.

MR. WHITE was formerly a manufacturer, at one time having even been a maker of motor cars in England. He is essentially an engineer, and, of later years, has become one of this country's authorities on marketing and merchandising, always from the engineering and analytical viewpoint. Few professional advisers of marketing are so highly esteemed as he.

The book under review is not brand new, it having, as a matter of fact, been first published in 1923 or 1924, but demand has given rise to repeated printings. It is a volume well worth the perusal of warehousemen and any others who have invested a part of their capital in trucks. The principles enunciated are as true for 1928 as they were for 1923.

In the choosing of a truck, according to Mr. White, "two considerations must be kept in mind: speed and carrying capacity." Theoretically, these two considerations are opposed to each other, for anyone knows that the greater the load the less the possible speed, and the greater the speed the more danger there follows from carrying a heavy load. There is danger of one-sided choices of trucks. The desire for speed prevents selecting the truck that is really most efficient, or the truckman is induced to change from an ordinary truck to one that is thought to be better on account of its vaunted size and impressive appearance.

There is another danger: that of a one-sided policy in selecting a fleet of trucks. Seldom is there a fleet that has merely one sort of work to do; and, if there are several duties to perform, it is not likely that a single size, or perhaps even a single make, will fulfil all duties to the best advantage. In other words, it is usually best, in the estimation of Mr. White,

to pick out one predominant and standard size of truck and then to have others for special work. These, of course, should be chosen after careful analysis of the special work to be done. It is as poor a policy to attempt to run a general trucking business solely with 5-ton trucks as it is to run a general livery stable with only draft horses.

Of the chapters in this book, that one which deals with "Tires and Wheels" will be found much worth while. Any practical truckman will read and reread the one on "The Establishment of Express Lines" of trucks. This chapter hangs high the warning to "Stop, Look and Listen" before launching forth into an established route for trucking. It suggests the necessity of studying the proposed line and gives an outline of the capital to be required, the method of locating the route and how to investigate these conditions. It considers also these questions: Study of existing services; road conditions; schedules; volume of tonnage; special laws dealing with routes; overhead charges; methods of securing information as to highway transportation; determination of rates to be charged; standard for a successful rate schedule; collecting and delivering; the securing of business by various methods; and the essentials of the driver.

The truck operator must always remember that frequency of service is less important than regularity. The essential thing necessary to secure regular business is a regular and a punctual schedule, which can be kept winter and summer. Therefore the condition of the roads, the length of the route, and the volume of traffic should be analyzed with care. The following factors must also be analyzed and determined:

1. The number of stops in the route, and the average time consumed at each stop.

2. Where stops are to be made; that is, traffic points or places where freight accumulates.

3. Most desirable time to leave the terminal points.

4. Maximum time required to cover the route with allowances for contingency stops.

5. The ability of the driver to cover the route effectively.

Says Mr. White: "The only way to make up the schedule is to drive over the route personally and take note of intended stops, road conditions, grades, etc."

The book deals, also, with passenger bus transportation but, inasmuch as that is not a matter of primary interest to readers of these pages, further reference to those chapters need hardly be made.

Club Room and Furniture Sales Department Are Sources of Revenue for National Company in Oakland, Cal.

TWO new sources of income are being successfully tapped by the National Van & Storage Co., which operates a household goods warehouse in Oakland, Cal.

The first consists in the rental of floor space for a club. The National had, on its third floor, three large rooms, one of which contained a complete and finely-finished ball room floor laid there prior to the time when the firm purchased the building.

F. J. Early, vice-president of the company, conceived the idea that these rooms would make fine quarters for a club, until such time as the growth of the storage business made necessary their use by his company. He therefore furnished one of the rooms as a lounge, another as a reading room, and trimmed the ball room until it is one of the most decorative in Oakland, a city of approximately 300,000 inhabitants.

Then he considered the kind of club to be offered these facilities, and came to the conclusion that a community-

service organization would be the best. After some inquiry he found a new association, known as the Lonesome Club, whose objective is the betterment of social and living conditions in its city. There are several of these clubs in American cities. Mr. Early helped the club grow until it now has 1,000 members, each of whom pays \$1 a month in dues. A choral group of 150 voices and an orchestra of nine pieces is maintained. At least once a week these musicians and singers go to some public institution of this section of California and give a program for the inmates. Four times a week a musical program and dance is given in the club rooms, and, on Sunday nights, there is a musical program and a short talk by some man prominent in the community. Attendance at these entertainments has reached 1,000 a night. One wedding has been held in the club.

From the viewpoint of the storage executive, the venture is a financial success as well as an invaluable advertise-

ment. As a revenue producer the club gives 100 per cent occupancy for that empty third floor; as an advertisement, hundreds of persons every week pass directly alongside the finely-dressed and brilliantly-illuminated windows of the National company. In the few months in which the club has been in existence its members have given the warehouse company more than 100 hauling, transfer and storage jobs. The rental is up to the average for space of this kind, and probably more than the same space devoted to household goods storage would bring.

The second new venture inaugurated by Mr. Early is the establishment and operation of a large show and sales room for furniture. There any household goods which the owner wishes to sell are put on display, as are also such goods as the warehouse company may wish to sell for storage charges.

Mr. Early found, shortly after the starting of the National company, that

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Two New Bars for Use in Public Warehouses

A Material Handling Development on the Pacific Coast

By H. H. DUNN

TWO new crowbars, one a multiple-utility implement and the other a pusher bar, have come into wide use in warehouses and among freight handlers generally on the Pacific Coast in the past year. One of the many advantages of these bars is that either can be made from the common straight bar, thus eliminating the necessity of scrapping hundreds of thousands of the latter in use by railroads, shipping lines and warehouse operators.

The more important of the bars combines a lever and

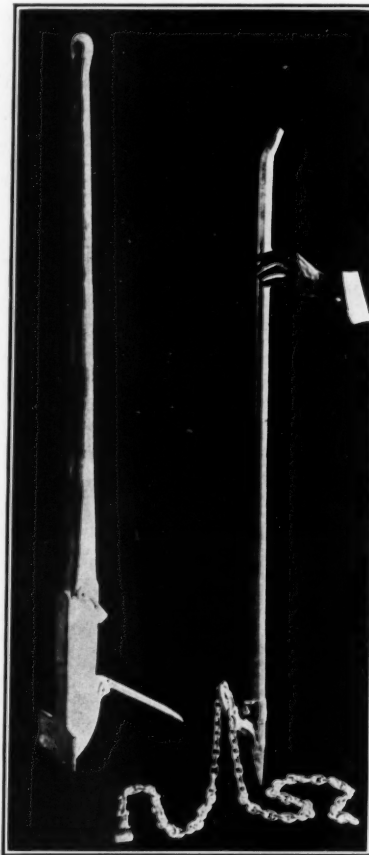
fulcrum, spike, chisel-end, claw, and chain with a steel grab. The other is a pusher bar, for placing packages tightly in a car or in a store room, without the necessity of using the truck nose as a bunter. It also can be used as a lever, carrying its own fulcrum, but its uses are more limited than those of the combination bar. The pusher bar has been found of great value in eliminating damage in loading and unloading, and insuring tighter packer in warehouse and car.

THE chain-bar is about five feet in length, as at present manufactured, but can be made as long as required for any particular job. Its use begins with the opening of the car door, when the latter is spotted at the warehouse or the unloading platform. Faulty condition of doors in many freight cars eats up hours of time, as any warehouseman or freight forwarder will testify. Use of the ordinary drive-bar frequently results in the punching of holes through the door, or even through the side of the car, when leverage is required to force open the jammed door.

The car, however, must be entered, even if the door is smashed off, and, where movement of the train has shifted cargo against the inside of the door, not infrequently the contents of the car are damaged in opening the door—a damage the responsibility for which is not easily or quickly fixed.

By hooking the grab hook through the handle on the door, passing the chain through the claw on the bar, where it can be held at any link, a complete lever and fulcrum is formed, merely by placing the point of the bar against the side of the car, back of the door, and pulling the latter open. By reversing the process the door can be closed, evenly, and without jamming or without disturbing the contents of the car.

By such use of the new bar warehousemen on the coast claim they have cut down the time and labor required to open a car, and have eliminated damage to the doors or sides of the car, frequently an expense as well as an annoyance. An exhaustive series of experiments conducted at Seattle and in San Francisco demonstrated that one man with



Left, the pusher bar; right, the combination bar. Both are described in this article.

one of these bars can open a jammed door on a car in less than half the time required by two men working with the ordinary bar, and without any of the incidental damage to doors or packages.

An accompanying photograph shows the grab hook caught in the handle of the door, but in most cases best results are obtained when this hook is caught on the edge of the door at the jamb. If the door is stuck at the top, it is easy enough to raise this grab hook until the point is reached at which it will receive the jam.

After the car has been opened, one man with the new bar "breaks" into the contents, no matter how large the packages are, with ease. The new bar, provided with its own attached fulcrum, lifts each package, or pile of packages, so that the operator may slip the grab-hook and chain far enough underneath to enable it to get a grip either on a cleat on the package, or, with its small steel fingers, into the wooden side of the package itself.

In principle, the package is now on a runner. By withdrawing the bar, holding it straight up with its point on the floor, and dropping the chain into the claw at any point desired, where it catches, the workman has a leverage by which he can slide the package evenly and smoothly along the floor of car or warehouse to any point desired.

By raising the point of the bar from the floor to the side of the package, and adjusting the chain, leaving the grab hook where it is, one man can tip up the bottom of the package to put a gang plank, dolly, or any other equipment under it.

Reverse action, putting the chain and



Three steps in using the new chain-bar in warehouse, factory, car or ship's hold. First, left, movement, by one man, of package weighing 814 pounds; use the claw as a fulcrum, the point of the bar is slipped under the box. Second, center, when the package has been so lifted, the grab-hand on the end of the chain is passed under and hooked to a cleat or into the flat side of the box. Third, right, shows ease with which heavy package can be moved after the grab-chain has been inserted underneath; the package can be moved with equal ease with the chain over the top of the package, or on either side.

hook over the top, and the bar against the front side, enables the workman to tip the package out from the top, and even to let it down slowly and safely in any position desired. By hooking the grab at one side, and using the bar as a lever, the package can be turned in any direction, tipped up on corner.

Handling of heavy packages on platforms or on the beds of large trucks or in vans is thus made easy, with the bar enabling one man to move a very large package in any direction he chooses with comparatively little effort.

In construction of this bar, the old-time sharp point is retained, as is also the flattened, semi-sharp chisel end, so that all the capabilities of the ordinary crowbar are still in this improved implement. The claw, primarily for use as a grip on the chain, is handy also for pulling spikes or large nails. But the great development is the addition of the permanent fulcrum to the crowbar, so that the workman does not need to carry with him a block of wood to serve for that purpose. In case the chisel end is not wanted, the handle can be rounded into a small ball at the upper end.

The Pusher Bar

THE pusher bar is particularly designed for close packing, to reduce damage to goods by shifting in freight cars or in the holds or storage rooms of ships. It also is about five feet long. When the trucker drops a load it may not fall just as close to the other packages, or to the side of the car or room, as desired. The usual way of getting the load into position is by pinching it into place with an old-style crowbar, or bunting it in—when the packages are light—with the nose of a hand truck. This takes up the time of the trucker, holds up others who may be coming into the car with loads, and also may damage the packages and their contents.

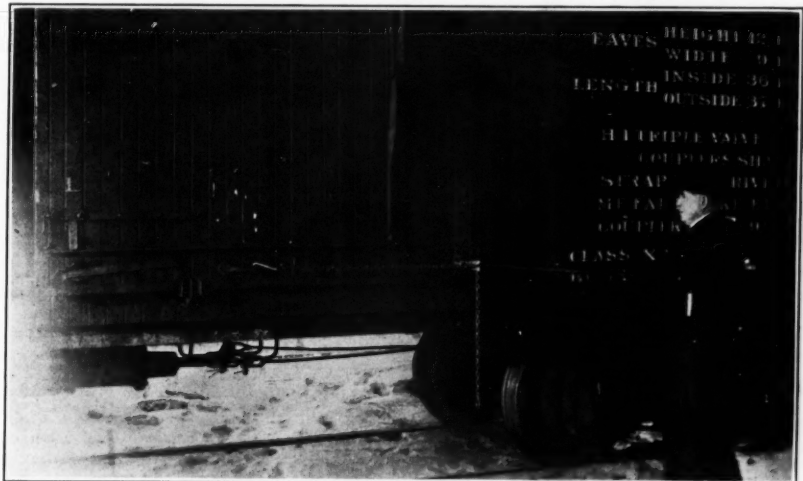
With the pusher-bar, it is claimed that no damage is done, time of pushing in is eliminated, and much closer and better packing obtained. The nose of the bar is placed against the base of the package, or tier of packages; the

workman presses down the dog at the lower end of the bar, holding it securely to the floor; and, with the leverage so obtained, the operator, by pulling down on the raised handle, shoves the package into place.

It has been shown in tests that a workman equipped with one of these bars can move weights up to one ton into

position over ordinarily smooth car or warehouse floors, with ease.

Use of the pusher-bar in loading cars containing mixed shipments, consisting of crates, boxes, barrels and rolls, has materially reduced shifting and chafing of the load. Warehousemen on the coast believe it to be a considerable factor in the reduction of damage claims.



Showing method of opening car door with new bar, chain and grab-hook, using the bar as a lever. By reversing this process the car door may be closed as easily as it was opened.

Boston & Maine Inaugurates Through Car Service from Lawrence, Mass., to Central West Points

CONCENTRATION of fast merchandise freight service by the establishment of a large number of through cars, to carry New England products direct to destinations in other sections of the country without breaking bulk en route, has been put into effect on the Boston & Maine Railroad. The concentration point is at Lawrence, Mass., where through cars of less than carload freight and others from various industrial centers will be assembled.

The through cars will include the fol-

lowing among their destinations: Philadelphia, Baltimore, Pittsburgh, Cleveland, Cincinnati, Detroit, Chicago, Milwaukee, Buffalo, Utica, Rochester and Elmira Transfer.

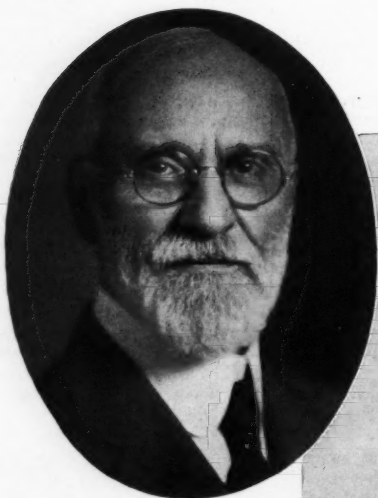
This arrangement will give New England's industrial communities north and east of Boston a service comparable with that available out of Boston, and in many instances will serve to speed up the movement of New England products to distant markets by as much as a day or two.

No. 38

C. C. Stetson

By ELIZABETH FORMAN

Success

Let's Take the Old Family

In oval, Charles C. Stetson, president of the Fidelity Storage & Transfer Co., St. Paul, Minn.

THE efforts of an "efficiency expert" to economize by eliminating a manager's salary from the pay roll launched Charles C. Stetson, veteran warehouseman of St. Paul, Minn., on an independent venture that resulted in his becoming known as the "dean" of the industry in his part of the country.

Mr. Stetson was born in New York City. Leaving high school, he went into his father's law office at 35 West Thirteenth Street, traveling by street car every morning from his home uptown near Central Park. (The old "brown stone front" on Lexington Avenue that was Mr. Stetson's former home has long since been torn down to make room for a modern apartment house, and here, on a recent visit to New York, the Minnesota executive was the guest of another warehouseman—John G. Neeser, president of the Manhattan Storage & Warehouse Co.).

In 1882 Mr. Stetson journeyed to Minneapolis to join a brother who was engaged in the warehousing business and who needed assistance. With him the New Yorker took his entire savings—some two or three hundred dollars—and he never received any farther assistance from home.

Mr. Stetson remained in Minneapolis for five years. During that time one of his avocations was the teaching of a Sunday School class in which W. W. Morse, a veteran storage executive of Minneapolis and a past president of the American Warehousemen's Association, was one of the pupils. H. H. Chamberlain, president of the



Main warehouse of the Fidelity Storage & Transfer Co., St. Paul, Minn.

Boyd Transfer & Storage Co., Minneapolis, attended the same Sunday School each week.

Thirty years ago in Minneapolis it was the common practice to store household goods in large mill-constructed non-fireproof buildings at a uniform price of \$1.50 a load per month. No lists were made and no detailed receipts given. Nor were there any padded vans for moving and the furniture usually suffered as a consequence. Handling conditions were so bad, in fact, as to give birth to the old superstition that "Three moves are as bad as a fire."

Mr. Stetson really began his career as a merchandise broker and storage executive, but chance decreed that he should branch out into the furniture warehouse business then so badly in need of the right hands to direct it.

Along the tracks in Minneapolis there was a series of more or less run down though large buildings that had been devoted to the storing of merchandise for several years. These belonged to a Mr. McMillan, who asked Mr. Stetson to take hold and restore them. A few years found the business going nicely with the young New Yorker acting as secretary and president, and during that time a Boston concern, having lost a large warehouse building by fire, proposed rebuilding with a fire-

(Concluded on page 56)

Stories

Album Out of Storage!

No. 39

John B. Baillargeon

By ELIZABETH FORMAN

Below, a bird's eye view of the Baillargeon warehousing establishment in Montreal



In oval, John B. Baillargeon, president of J. B. Baillargeon Express, Ltd., Montreal, Canada



Three of the varied types of transport equipment operated by the Baillargeon company. Vehicle at left is a long distance van carrying "Publibus" advertising, patterned after the London bus

IT has long been a tradition in the British Empire that business institutions, like surnames, are handed down from father to son. Indeed, the origin of many a firm seems lost in the dim mists of antiquity. Age, as counted by generations, is considered eminently respectable. For some this arrangement is ideal. For young men whose fathers have no counting houses to bequeath, it is just too bad. Every now and again, however, there comes along a youthful Dick Whittington with courage and originality enough to make a place for himself in the complex world of commerce—and without money.

Such a man is John B. Baillargeon, president of J. B. Baillargeon Express, Ltd., Montreal, Canada.

Fifteen years ago there was no store house of any kind available in Montreal for the safe-keeping of household goods not being used by their owners. Twenty years ago there was not a covered van in the city for the protection of furniture in transit. And thirty years ago Mr. Baillargeon was driving a one-horse wagon that

moved only trunks and baggage for travelers and visitors to the city; Mr. Baillargeon was 20 in those days.

In 1899, after two years in the baggage transfer business, the young expressman provided himself with a covered vehicle for moving furniture. He built the upper portion of the wagon himself. That was the quaint Canadian city's first covered van. It also was the nucleus of the shop where are made all the harness, tarpaulins, and so on, used by the Baillargeon company today.

The present firm was founded in 1899, its entire capital being the president's savings of some \$200 in cash. Money was not easily borrowed at the bank at first, but credit increased as confidence increased, and Mr. Baillargeon now recalls that he mortgaged his reputation a good many times in the early years when times were lean.

"Show the banker what type of man you are" is his advice now to the young man just starting in as he was

(Concluded on page 55)

Profits in Storage of Automobiles for Makers and Distributors

A Los Angeles Warehouse Firm Has Developed a Flourishing Business in Past Few Years—How the Westland System Operate Is Here Told

By O. H. BARNHILL

WHEN Westland Warehouses, Inc., opened for business in Los Angeles, in 1923, the managers surveyed the local field and decided to specialize in automobiles. An enormous volume of this class of handling and distributing appeared to be available. Southern California was the world's largest motor car market, and most of the machines distributed in the territory were being shipped to and stored in Los Angeles.

At that time many of the local automobile distributors apparently were not satisfied with available warehousing service and facilities. The Ford interests had

a warehouse of their own in Los Angeles, and other car manufacturers were considering providing private storage.

Therein lay the Westland's opportunity.

Now, at the end of a little longer than three years' time, the Westland is handling 90 per cent of all the automobiles—except Fords—shipped into Los Angeles. They amount to approximately 20,000 machines a year. In one month 505 freight carloads—2020 automobiles—were handled. In one three-day period 650 Buicks were unloaded.

IN order to capture and hold this enormous volume of automobile business it was necessary to offer the trade low rates, careful handling, quick service, and the best possible fire protection.

Twenty-five dollars is charged for handling an average freight carload of four automobiles.

The storage charge per month per auto is \$20.

Siding space is available for 45 cars, which can be unloaded simultaneously. There are seven switching tracks—four of the platforms being at the main building and three at branch warehouses.

An average of 30 freight cars is unloaded daily. On one day 45 freight cars were emptied of their automotive contents and 108 automobiles delivered, without the maximum facilities being employed.

Fire protection is provided by a reinforced concrete building on top of which is a water tank with a capacity of 125,000 gallons. A Dayton-Dowd centrifugal fire pump in the basement generates a 100-pound pressure at 1450 r.p.m., and is capable of throwing four 1½-in. streams of water to a height of a hundred feet. The tank on the roof is concealed by an ornamental tower, and it provides fire protection also for several nearby factories.

Each warehouse floor is equipped with an automatic fire sprinkler system, Py-

rene and Foamite chemical fire extinguishers, and buckets of water and sand.

These manifold precautions, necessitated by the high value of automobiles and the inflammable nature of the fuel, have reduced the fire hazard to the minimum, making possible an insurance rate of 12 cents per \$100 per year.

The greatest possible care is exercised in unloading, storing and delivering the motor cars. The checking of shipping damages is an important work. Two railroad representatives from the Los Angeles joint freight office are stationed permanently at the Westland's plant to check shipments. The Westland company itself and some of the distributors also employ checkers, and thus reliable inspection and reports are guaranteed.

When an automobile is unloaded from a freight car it is checked in. Its condition is fully described. Its location is allotted and is recorded on an inspection sheet. When the machine is checked out, a release form to be signed by the consignee is filled in, detailing condition on release to consignee. Before each machine is released it is filled with water, oil and gas, and the tires are checked. Oil and gas expense is charged to the consignee.

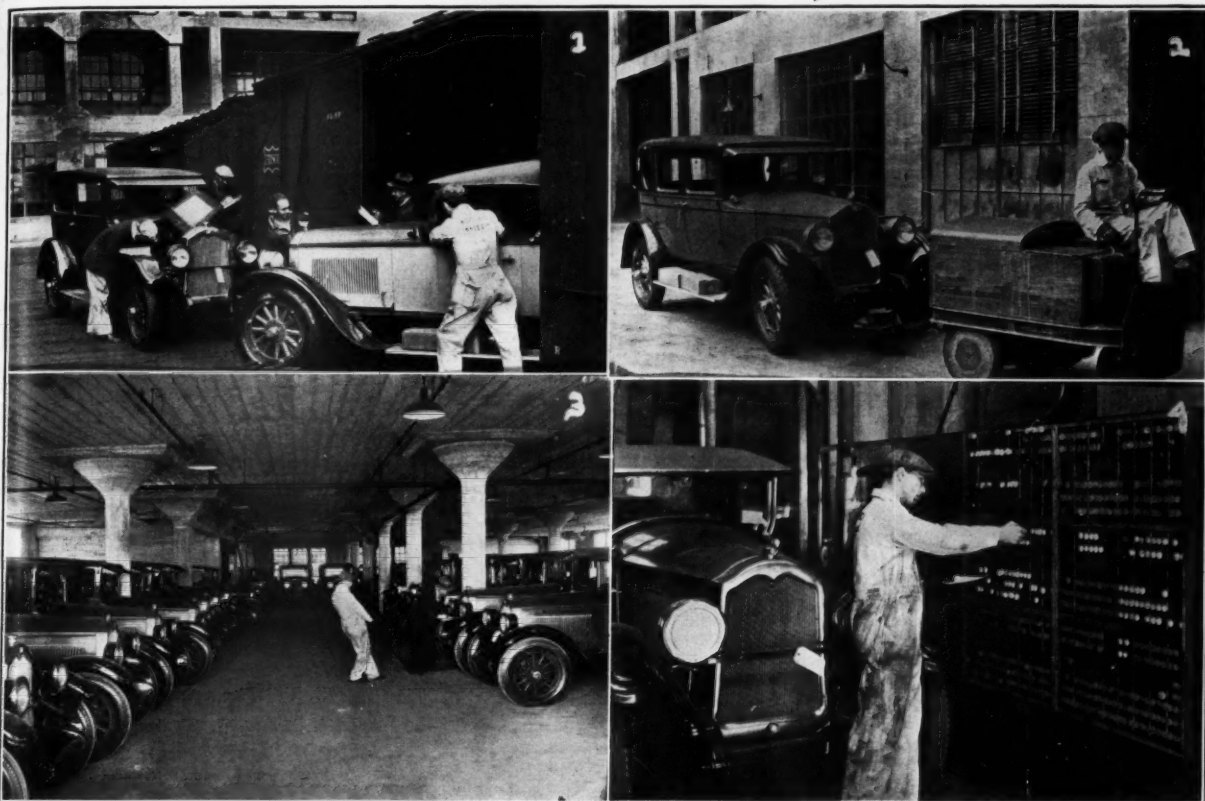
The inspection sheet lists 56 auto parts, with one line allowed for each.

The sheet is divided into six spaces or columns, making it possible to check that number of cars on one sheet. Each column is divided into two parts, marked "L" and "R" to indicate whether the injury checked is on the left or right side of the machine. At the top of each column is provided space for noting the make of the car, its color, its type, its position in the freight car, its motor and serial number. Other spaces are ruled off for checking inspection and lot numbers, consignees, dates of unloading, condition of seals, and information having to do with freight cars, car doors, blocking, decking, tie straps, car-length, parts, boxes, bundles, crates, sand, cinders and causes of damage.

To facilitate checking the following key is employed: C—oil stained; S—slight; M—medium; B—bad; 1—scratched; 2—chafed; 3—dented; 4—bent; 5—broken; 6—gouged; 7—torn; 8—cut; 9—soiled; 0—missing; P—pilfered; X—not shipped.

A Mercury electric truck is used to move automobiles from freight car to warehouse. In making deliveries a Mercury hand truck is placed under the front axle. With one man pulling and another pushing, the largest automobile is easily moved onto and off an elevator.

The problem of keeping track of the location of each motor car is solved by the use of a large board fastened to the



Illustrating the automobile storage and distributing business of Westland Warehouses, Inc., Los Angeles. 1—Inspectors examining motor cars being unloaded on one of the company's railroad platforms. 2—A Mercury tractor takes the automobile from freight car to warehouse. 3—Cars in storage. 4—Incoming or outgoing, every car is carefully checked

side of the elevator. This chart is divided into six sections—one for each floor. A section is divided into squares—one for each motor car space—with a small hook for holding number cards. The latter are about the size of a half-dollar, with paper front and tin back.

Bays and Sections Indicated

The make of a motor car is indicated by the color of the card, on which is written the machine's number. The latter is, for convenience in locating, marked on the windshield. A letter is used to indicate the bay, and a number shows the section in which the machine is stored. Bay letters and section numbers are marked on the concrete pillars in each room.

The main warehouse building is a U-shaped structure 254 feet long and 162 feet deep. Four railroad tracks run between the two wings. There are 12-foot platforms on either side of the outside tracks, and a 16-foot platform between the two inner tracks.

Most of the automobiles are stored in the north wing, which is 162 by 82 feet. There are three rows of supporting pillars, seven to the row. This divides each room into sections each 20 feet square and capable each of accommodating 9 motor cars. The elevators occupy 10 by 20-foot spaces on the inner side of each wing.

An important factor in the Westland's automobile business is the Los Angeles Junction Railway. The use of this central belt line eliminates delays and switching charges—costly inconveniences when allowed to exist. The railway enables the company to give main-line service from the Santa Fe, Southern Pacific and Union Pacific railroads.

Twenty automobile distributors, including some with warehouses of their own, have their machines consigned to the Westland in order to avail themselves of quick and safe unloading facilities and to save the expense of switching.

The Westland organization is located in and owned by the Central Manufacturing District of Los Angeles, a subsidiary of the Central Manufacturing District of Chicago, and this connection is of great value in obtaining and holding the business.

Sales and Forwarding Units

The Westland Sales Corp. and the Westland Forwarding Co. are subsidiary units. The sales concern enables eastern firms to establish branch agencies at the Westland plant at minimum cost, with stocks available for immediate delivery, while the forwarding company consolidates shipments at eastern points and delivers the goods in Los Angeles.

"Automobile warehousing is both pleasant and profitable," according to L. D. Owen, vice-president and general manager of the Westland. "The goods handled are clean, valuable, easily moved, and belong to a superior class of business men."

Peelle Door Survey

The A. C. Nielsen Company, engineers, Chicago, in collaboration with Elmer Erickson, vice-president and general manager of the Chicago Junction Terminal Building Co., Chicago, recently completed a survey of thirty-four elevator doors which the Peelle Company installed about a year ago in the terminal building company's structure.

The survey, a copy of which may be had by addressing the Nielsen company at 4450 Ravenswood Avenue, Chicago, sets forth that the new doors "have reduced repair costs and delivery delays and have practically eliminated the chance for accident," and that "maintenance cost has been almost negligible and a most conservative cost comparison indicates that the net savings now being effected are returning the additional first cost of the doors at the rate of at least 18.5 per cent a year."

With This Issue, "Two Bits" Becomes the 1st Public'n to Wish You—

Vol. VIII. No. 8

TWO BITS

A Bit Here, A Bit There

—a Prosperous 1929.
Whether You Will
Deserve It Is Not Our
Affair.

Gotham, February, 1928

INCREDIBLE as it may seem, there are some storagers who read *Two Bits*. Ye Ed.'s personal impression had been that this page was utterly skipped each mo., & so it was not with any high expectations that we published—in our Dec. (1927) issue & addressed to storagers—that "Now is the time for you to give intellectual consideration as to what you intend to donate to assure Ye Ed. a cheerful Yuletide season."

& what happened? We will tell you what happened.

Our editorial desk got deluged with donations. Of all the articles we announced—in our Dec. (1927) issue & addressed to storagers—that we could use, we rec'd everything mentioned except the matches, golfing utensils, guaranteed thermometers & buttermilk flasks. Just why no storagers sent those particular things, after we had particularly mentioned them in our Dec. (1927) issue, is something we will not comment on on a/c we are still a bit touchy on the subject.

But aside from the misfortune of our not getting any matches, golfing utensils, guaranteed thermometers & buttermilk flasks, Ye Ed. fared pretty well at the hands of the storagers' industry. Next Christmas is about 11 mos. off.

Louie Myers, the Boston storager, donated us an elegant leather-bound portfolio, with our personal name, correctly spelled to our surprise, embossed in gold letters on the cover, though Louie ought to know how to spell our name at that, on a/c he once cashed a convention-time check bearing it after Louie's straight flush had embossed an inferiority complex, not in gold letters, on Ye Ed.'s 4 aces, which has nothing to do with Louie's elegant Yuletide donation, which contains envelopes for our personal bills (which are pretty well paid up at this writing); receipts; insurance policies; contracts & leases; income tax returns (which makes us sore at the U. S. Govt no end); & miscellaneous memos. The portfolio has a lock & key so we can lock it on a/c somebody might steal the bills & miscellaneous memos, but if they steal the income tax returns it is O. K. with us if it is with the U. S. Govt.

Marie Bowen, the Indianapolis storager, donated an orange-colored non-tip-overable ash tray, on a/c that a Certain Party informed her, when Marie was to Gotham of late, that Ye Ed. was untidy about where we spill our ashes from cigars given us, altho the fault lies with the quality of the cigars & not with Ye Ed.

Ben Brown, the Gotham h.h.g. via-water-forwarder, sent an elegant 1928 combination calendar & memorandum

Nella, Liela & Zella

ON a/c we feel we should ought to devote this mo.'s (Feb.'s) "Two Bits" to acknowledging Xmas & New Yr gifts, which we do, consideration of the plights of Pelionella, Biselliella & Tapetzella, our 3 detective lady-moths, is deferred until our March issue, which will be issued next mo. (March).

pad. Walt & Barrett Gilbert, the Gotham storagers, sent an elegant 1928 combination calendar & memorandum pad. Wm. Palmer, the New Haven, Conn., storager, sent an elegant combination 1928 calendar & memorandum pad. These boys should get together next Xmas, which is 11 mos. off, & decide on different things. Dave Tilly, the Gotham dock co. executive, sent an elegant 1928 calendar without any memorandum pad. H. G. Stouffer, the Gotham storagers' representative, sent 3 pencils, with handles like golfing utensils, to write with on the memorandum pads donated by Ben, Walt, Barrett & Wm., as Dave did not send one.

Messrs. Smith & Walters, the Charlotte, N. C., storagers, sent a glass paperweight containing a photo of their bldg plus their private telephone no., which is Hemlock 6700 if anybody contemplates to call them.

& you should ought to see the Xmas & New Yr cards galore. The postage alone would keep Ye Ed. in good cigars to April 1, inclusive.

Ed Lee, the Chicago storager, & better ½ sent one with a snow scene. Wil'd Morse, the Minneapolis storager, donated one decorated with camels & candles. Elmer Erickson, the Chicago storager, also sent us a snow scene card & also an invite to attend the French Lick convent'n of the A. W. A. at our own expense. Also we rec'd cards from as follows, whom we will name alphabetically so their feelings will not be damaged:

Herb Bragg, the Gotham forwarder; Charley Daniel, the Kansas City storager; the Hildenbrand bros., Harv & Milt, the Philadelphia storagers; Norm Hotchkiss, the Summit, N. J., storager; Fred & Harry Kedney, the Minneapolis storagers; Harry McNeely & Paul Frenzel, the St. Paul storagers; L. J. Moeller, the Montgomery, Ala., storager; Van Wicked Mott, the Wash'ton, D. C.,

storager; Louie Myers, the Boston storager, donator of the afore-mentioned portfolio; Harry B. Rubey, the Cincinnati trade assoc'n sec.; Johnny Simon, the Peoria, Ill., prexy of the Nat'l Distributors' Assoc'n; Tom Snyder, the Indianapolis trade assoc'n sec.; E. V. Sullivan, the Philadelphia storager; Bob Weicker, the Oklahoma City storager, & better ½, Fay (Weicker) & Bob (Weicker) Jr.; Hughie Walsh, the Pittsburgh storager, & better ½ & Baby Jeanne (Walsh). Also we got a holiday telegram, charges prepaid, from Walt Weekes, the Brooklyn storager.

It is not untimely to mention also that we was gifted—by a Certain Party in Gotham—with a paper machet green owl, on a/c we habitually smoke White Owl (Advt.) cigars. Appended to this donation was the following rime:

Today is Christmas, so they say.
And, just to make it extra gay,
You ought to have a special smoke.
What though the rest of us may choke?
That one can smoke White Owls seems strange.
Why not try green by way of change?
So on this day please smoke this owl.
We'll clean the ashes with a trowel—
And, for this once, without a howl.

From which you may judge that the orange-colored non-tipoverable ash tray donated by Marie Bowen, the Indianapolis storager, is going to come in right handy in 1928.

Randumb Notes

Some people wear the same old ties day in & day out, like Ye Ed. does. Others buy & wear pink ones, like Ben Brockway, the Gotham storager, does.

The U. S. Supreme Court has decided that earnings from bootleg likker oper'ns are properly taxable under the Fed. income tax law. This does not affect Ye Ed. on a/c we drink buttermilk.

The U. S. Nat'l Museum has sent us a free copy of "Larger Formanifera of the Genus Lepidocyclina to Lepidocyclina Mantelli," also a free copy of "A Taxonomic and Ecological Review of the North American Chalcid-Flies of the Genus Callimome," which ought to keep *Two Bits*'s typesetters busy these wintry days.

A. Lane Cricher, the Dept. of Commerce transport'n authority, was wed on Nov. 10 & with his bride sailed for Europe on Nov. 12. Armistice Day fell on the day between. Ah, there, Aaron!

BOOKS AND PAMPHLETS OF INTEREST TO THE INDUSTRY

These Can Be Supplied, at the Prices Indicated, by

DISTRIBUTION AND WAREHOUSING

249 West 39th Street, New York City

Distribution and Warehousing's Warehouse Map of New York City

Price \$2.00—Ready for Delivery About March 1

This map, in colors, and produced for us by Rand, McNally & Co., sets down the geographical location of every public warehouse company—merchandise, household goods and cold storage—listed in the New York City sections of our 1928 Warehouse Directory (January) issue. Each company is designated by a number, and the companies' names and their corresponding numbers are shown.

On regular map paper, with metal edges top and bottom. Size, 23 by 33 inches. . . . For the shipper of commodities and household goods into the New York territory this map will be found invaluable.

Corporations Doing Business in Other States 5.00

State Regulations and Requirements
By H. A. Haring

The Distribution Age 3.20

A Study of the Economy of Modern Distribution.
By Ralph Borsodi

The Distribution Census of Baltimore 0.25

The Government's first census of any city's wholesale and retail trade.

Household Goods Warehousing in the United States 6.00

Selection of site, building design and construction, accounting, stowing, insect control, estimating, cartage, packing, rates, insurance, etc.

By Clarence A. Aspinwall

"I'll Never Move Again" 2.20

Humorous experiences of a man who has moved fifty-two times.

By Fitzhugh Green

The Merchandise Warehouse in Distribution 0.10

A Department of Commerce publication.

Pegasus, or Problems of Transportation. 1.10

An account of "cross-country" vehicles which will achieve a revolution as great as those caused by railway.

By Colonel J. F. C. Fuller

The Railroad Freight Service 5.20

Practical information for traffic executives.

By Grover G. Huebner and Emory R. Johnson

Standard Contract Terms and Conditions 0.05

A Department of Commerce publication.

Traffic Management 3.70

A comprehensive treatment of traffic management.

By G. Lloyd Wilson, Ph.D.

United States Warehouse Act 0.05

Regulations, as prescribed by Department of Agriculture, for warehousemen storing canned foods.

Warehouse Directory (subscription to *Distribution and Warehousing* included) . . . 2.00

The industry's annual reference volume, containing statistics and data regarding warehouse companies throughout the United States and Canada.

The 1927 edition appeared as part of the January issue of *Distribution and Warehousing*. Single copies, each 1.00

Warehouse Forms 0.10

Simplified Practice Recommendations No. 34 of the U. S. Department of Commerce. Describing and illustrating the standard warehouse documents approved by the Government.

Warehousing 10.00

Trade customs and practices; financial and legal aspects.

By H. A. Haring

This book, with 1 year's subscription (including the Warehouse Directory) to *Distribution and Warehousing* 11.00

Warehousing General Merchandise—An Encyclopedia

Prepared by the American Warehousemen's Association.

Regular Edition to A.W.A. members: Vol. I, \$10; Vol. II, \$5. Both 12.50

Regular Edition to non-members: Vol. I, \$15; Vol. II, \$7.50. Both 20.00

De Luxe Edition (limp leather binding, India paper) to A.W.A. members: Vol. I, \$15; Vol. II, \$7.50. Both 20.00

De Luxe Edition to non-members: Vol. I, \$20; Vol. II, \$10. Both 25.00

Please Send Payment With All Orders

They Dare to Be Different in Their Newspaper Advertising

By A. A. SHIELDS

LESLIE'S FIREPROOF STORAGE, LTD., of Winnipeg, Manitoba, adopted an individual style in advertising. Each message consisted of but a single sentence. This was in handwriting. It was placed diagonally across the center of a space two columns by 4 in. Because there was nothing else in the advertisements, except two small blocks of type—listing the services furnished, at the upper left, and the firm name, address and telephone, at the lower right—these handwritten sentences stood out against the white background like a solitary aeroplane against a clear sky. Such phrases as these were used:

"Our Pool Cars save both time and money."
"Service to Destination."

THERE are many ways for the public warehouse executive to inject individuality into his storage and transfer advertisements.

The Arkansas Transfer Co., Little Rock, Ark., did it with space as small as two and a half inches by a single column. It got the individuality by adopting as a sort of a trade-mark an outline map of the State of Arkansas. But this outline served still another purpose: it formed an eye-catching border for the brief but comprehensive messages that were used, such as:

"Bagenbaggage"

"We'll haul it to the station, and we'll check it for you direct from your home to your abode at destination, thus taking travel's greatest worry off your hands. Just phone—day or night."

Or like this:

"We are the only transfer company in town that can check your baggage from your home to home or hotel at your destination. This is extra service but there's no extra charge."

Still smaller space—two inches by a single column—was used by the New Bedford Storage Warehouse Co., New Bedford, Mass., and still individuality was attained. This was done by making the text appear like reading matter:

"Just think, what would have happened to 'Rose-Marie' if the dancer whose ankle was hurt had not had an 'understudy'? Thousands of dollars would have been at stake. *Has your business an 'understudy'?*"

"Have the New Bedford Storage Warehouse Company store your extra stock, thereby acting as 'understudy' to your business, ready at all times."

Sometimes a headline, like "A Costly Trip," was used:

"Paris, July 21—On entering the Louvre—says wife, 'John, did you lock the cellar door when we left home?'"

"John, petrified. 'No, I don't think I did!'"

"Well, anyway, the tour was cut short, and they returned home to find what might have been saved from theft."

"'Oh! If I had only taken the Joneses' advice and sent the things to the New Bedford Storage Warehouse Company.'"

Telephone Individuality

THE telephone number can be featured in an individual manner. When a firm has offices in four cities, as has Clark Bros., in San Francisco, Oakland, San Jose and Watsonville, Cal., the customary and easiest way would be to list the 'phone numbers one under the other. Clark Brothers used a tiny cut of a telephone instrument with one number beside it, then another cut and another number—till there were four pictures of instruments and four numbers marching abreast at the bottom of a two-column two-inch advertisement.

The National Freight & Delivery Co., Philadelphia, pictured an instrument in the upper left corner, ran the telephone cord across the top of the advertisement to act as a sort of a border, and then

"Choose your Warehouse as you would your banker."

Not every storage and transfer company should take to using sentence—advertisements and run handwriting messages at a slant against a white background. If they did they would become too common and would attract no attention. But finding some way to make your advertising individual, to set it apart from your competitors; is of real advantage today.

"When the advertiser sets out to let the public know . . . he is right up against the problem of letting the public know in an individual way," said F. J. Ross, in *Printers' Ink*. "If he is a retailer he is competing with all other retail outlets for the attention of the public."

flung it down and diagonally across the advertisement where in the lower left corner, it connected with the picture of a telephone receiver. The space on this receiver is used for the numbers of local branches.

Even so small a space as single inch in a single column can give the phone number individuality if employed as the Reliable Transfer & Storage Co., Oklahoma City, used it to advertise office moving. Half an inch of white space was left at the left side of the advertisement and into this was set a black diamond with the phone number on it in white.


The Commercial Warehouse Co., Little Rock, Ark., got individuality by securing greater visibility for advertising by using a novel design which can be found, as Gilbert P. Farrar, typographical expert says, "in any printing establishment worthy of the name."

Design—Not Type

THERE is food for thought for all storage and transfer companies in the advice to advertisers given by Mr. Farrar, in *Printers' Ink Monthly*. He points out that many advertisers make a mistake by trying to get emphasis for their messages by telling the printers to set their advertisements in capitals or in italics.

"What inexperience is trying to say is: 'Do something to make the reader see my message, for unless the message is seen it cannot be read,' or 'Do some-

FIREPROOF WAREHOUSE
Under One Roof
Let Us Do Your Warehousing




Office and Desk Room
Accommodations and Warehouse Storage Facilities

Q. L. Porter,
President

Commercial Warehouse Co.
Phone 81

What does N.F.D. mean by "Complete Insurance Coverage?"

It means just this:
When you give a package to the N.F.D. driver it is covered by insurance right to the time it is delivered.



Fast Daily Freight Service
Shipments received today in Oakland, San Francisco and San Jose come down tonight and will be delivered to your door tomorrow morning.

CLARK BROS.

Oakland, 1st and Webster, Oak. 5650
San Francisco, 118 & Mkt.
San Jose, 150 Townsend, S. & J. 527
Douglas 170

Truck Transportation System
Watsonville 644
San Jose 740

MOVING PACKING SHIPPING STORING

Estimates Furnished

Our Pool Cars Save both time and money

LESIE'S STORAGE
Fireproof Warehouse
85 Water Street
Phone 87327

Bagenbaggage

We'll haul it to the station and will check it for you. We'll take it from your home to your store or office. We'll take it from your store or office to the station. We'll take it from the station to your home or office. We'll take it from your home or office to the station. We'll take it from the station to your home or office.

PHONE 7131
STATION AGENT

ARKANSAS Transfer Co.
314 Scott Street

National Freight and Delivery Company
A System Serving the Entire Philadelphia District

BRISTOL STATION
Radio City & Mill Sts.

TELEPHONE
Bristol 287

STORE DELIVERY
GENERAL EXPRESS SERVICE
FREIGHT HAULAGE
CONTRACT HAULING

Office Moving
Reliable
TRANSFER & STORAGE CO.

Here is some warehouse advertising which "increases the visibility of the message"—in which "the design is more a feature than the type used"

thing to increase the visibility of the message.

"This is not done so much with the type as with the design of an advertisement. . . .

"Good, readable type faces are few. Attention-getting designs are inexhaustible. The next time an advertisement pleases you—stands out above the ordinary—just check me up and see whether or not the design of this pleasing advertisement is more of a feature than the type used."

In these days when the exteriors of

moving vans are generally of pleasing appearance, publishing a picture of an imposing van in the rotogravure section of the newspaper which has many women readers offers opportunity for individuality.

H. C. Lee & Sons Co., Toledo, Ohio, did this. Display type is not so good to use as the plan of apparently offering a picture of some news interest, with an underline such as the rest of the pictures in that section have. An example of starting such an underline: "One of the H. C. Lee & Sons large moving

vans, capable of moving a household 250 miles a day. These vans are waterproof and dustproof. . . ."

As Mr. Ross pointed out in *Printers' Ink*:

"The two greatest qualities that go into advertising are individuality that attracts and truth that convinces. The public doesn't know you are in existence until you get the public's attention. The public isn't going to trade with you to the extent that you want until you get the public's confidence."

Proposed Cleveland Lake Front Project Involves Construction of Warehouses

The last barrier to Cleveland's lake front development, involving a huge warehouse and terminal project, has been swept aside with the signing of an agreement between the American Steel & Wire Co. and other riparian property owners and City Manager W. R. Hopkins. The latter believes that necessary legislation to provide for the improvement will be introduced in the city council before Jan. 1.

The development calls for bulkheading and reclaiming 560 acres of land,

now of little value, lying on the lake front between East 9th and East 72nd Streets. Behind piers and the bulkhead will be a heavy traffic roadway, a strip 550 feet wide for new warehouses, and three tracks of marginal railway. A high-speed 80-foot boulevard, flanked by 30-foot strips of lawns and trees, will connect with Lake Shore Boulevard and reach to the heart of the city. The improved frontage will be four miles long. Mr. Hopkins says the highway and marginal railway should be in service

probably some time in 1930.

The plan, originated by Mr. Hopkins, would make Cleveland a "world port," and the warehouse system would be linked up with a chain of such projects in Duluth, Detroit, Toledo, Buffalo, and Chicago. The company, behind the project is known as the Cleveland Railway & Harbor Terminals Co. F. E. Blumenthal, secretary of the Detroit Railway & Harbor Terminals Co., is executive head of the Cleveland company.

FROM THE LEGAL VIEWPOINT

By Leo T. Parker

Liability Following Fire

THE liability of a warehouseman for injury or loss of stored goods by fire may be importantly reduced by installation of the proper fire protective equipment in the warehouse. However, seldom have the Courts specifically pointed out methods by which warehousemen may greatly reduce the hazard of loss from this source.

But in *Tubbs v. American Transfer & Storage Co.*, 297 S. W. 670, the Court clearly explained the law, as well as indicating the kind of equipment of special value in reducing a warehouseman's liability for loss by fire of stored merchandise.

The facts of the case are that the American Transfer & Storage Co. conducted a warehouse for storing goods, wares and merchandise for others. In August, 1923, a person stored in the warehouse his household and kitchen furniture and some family wearing apparel. About one month afterward the warehouse was destroyed by fire.

The warehouse was a large, one-story building, its outer walls of brick. It was divided into compartments, but did not purport to be a fireproof building. It was located in the vicinity of railroad switching tracks, where railroad engines were frequently operated. The fire occurred between 3 and 4 o'clock Sunday morning. There was no night watchman, nor anyone else regularly kept in the building at night, and no one was there when the fire started. An employee, who had charge of the building, would look it up at about 8 o'clock in the evening, look over the premises on the outside, and then go to his home across the street and usually retire for the night. There were no automatic sprinklers installed in the warehouse.

The lower Court held the warehouse not liable, but the higher Court reversed this decision, giving in its opinion the following valuable information:

"The rule is well settled by these cases that a warehouseman is not an insurer of the property in his custody against fire, but is responsible for loss or injury from this cause only in case of failure on his part to exercise ordinary care to prevent damage to, or destruction of, the property in storage from such cause. This duty, as to the exercise of ordinary care, extends not only to the means employed to prevent a fire but also to means employed to arrest its progress after its origin.

"It is an admitted fact in this case that whatever damage was occasioned owner was due to a fire that virtually consumed warehouseman's warehouse

and its contents. The burden of proof rested on owner to show that the damage he suffered was the proximate result of the failure of warehouseman to exercise ordinary care to prevent such destruction of the property in its custody.

"What precaution was taken in this respect? There are eight pyrenes, of varying size, which are intended to extinguish and arrest the progress of fires by means of the use of chemicals. These could only be operated by hand. No one

What Don't You Know?

MR. PARKER answers legal questions on warehousing, transfer and automotive affairs.

There is no charge for this service.

Write us your problems. Publication of inquiries and replies gives worth-while information to you and to your fellows in business!

was placed in the building at night to make use of these appliances, and they constituted no precaution against fire at night. Automatic sprinklers are brought into operation by the generation of heat from a fire, and do not require the presence of anyone for their operation. They do not tend, of course, to prevent the origin of a fire; but the evidence is undisputed that they have established their value in arresting the progress of a fire.

"If a night watchman had been in the building, he could have operated the pyrenes, the use of which is to extinguish a fire. If automatic sprinklers, the use of which is both to extinguish a fire and to hold it within a narrow limit, had been installed, this fire might have been arrested and held within a narrow limit."

Acceptances of Storage Charges Not Admission

IN the case of *Cundill v. Lewis*, 157 N. E. 502, it was held that acceptance by a warehouseman of storage charges is not an acknowledgment or admission on the part of the warehouseman that the merchandise is in storage.

The facts of the case are that a buyer

and a seller entered into an agreement, whereby the former purchased a quantity of camphor stored in a warehouse. On the day that the contract was made, the seller delivered to the buyer a warehouse delivery order reading as follows:

"S. & S. Storage Warehouse, 1085 Grand Street, Brooklyn, N. Y. Please deliver to Francis A. Cundill & Co. thirty-nine (39) cases camphor slabs 2½ lbs. W/R. No. 4297, Marks R C numbers made in Japan C/101/150. (Free storage expires March 17, 1925)."

The seller held a warehouse receipt from the company, which stated that the camphor had been "received on storage 1085 Grand Street for account of John D. Lewis." As shown by the delivery order given to the buyer, the storage charges on the camphor had been paid to March 17, 1925, on which date the free storage expired. On March 24, the buyer called the warehouse company on the telephone and asked what the charges were from the time of the unexpired storage to date. An officer of the company replied that the storage charges to April 17 would be \$1.95. On the same date the buyer wrote the warehouse inclosing a check for \$1.95 and saying, "We are inclosing herewith our check for \$1.95 to cover storage for one month on thirty-nine cases of camphor in your warehouse."

Later it was discovered that the camphor had been stolen from the warehouse. The buyer then sued the seller for \$2,730, the amount he had paid the latter.

In view of the complications in the case the lower Court held the purchaser entitled to recover the amount paid, the intermediate Court reversed this verdict, and the higher Court reversed the intermediate Court's verdict, holding the seller liable, saying:

"The warehouse company was wholly ignorant of the fact that the plaintiff had a delivery order from the depositor. The buyer had never informed the warehouse that he had bought the camphor; that he was the owner thereof; or that he held a delivery order from the depositor. In the absence of such information, the making of a promise to hold the camphor on the buyer's behalf would have indicated a willingness on the warehouse's part to violate the law. . . . Under the circumstances, such an inference could not properly be drawn from the mere fact that the warehouse company accepted a check from the buyer for a month's storage of the camphor. It may have thought that he was paying the debt of the seller for storage. It may have purposed to hold the camphor

for him on the condition that he presented to it its warehouse receipt, properly indorsed, for surrender. In neither event could its act of accepting the check be construed as an unqualified acknowledgment that it held the camphor on the buyer's behalf. Therefore we think that the warehouse company, as a matter of law, never acknowledged that it held the camphor on his behalf."

Whose Piano?

LEGAL EDITOR, *Distribution and Warehousing*: We have in our storage a grand piano belonging to a lady who at the present time is separated from her husband. The piano was placed in storage under her name and she pays the charges as they are due. Today we were served with a writ of attachment on this piano by our local Municipal Court judge. The man in whose favor the attachment is written claims that this lady's husband owes him a large sum of money, and therefore he had the piano attached. His attorney said it made no difference whether piano is in our storage under her name or not. Kindly give us your opinion according to Michigan laws on this subject.

Answer: The law of Michigan, Section 11,545, provides: That the real and personal estate of every female, acquired before marriage, and all property real and personal to which she may afterward become entitled . . . shall remain the estate and property of such female and shall not be liable for the debts . . . of her husband.

Therefore this woman's piano is not subject to her husband's debts, unless he gave it to her after the debts were contracted, or unless he transferred the title to her knowing that he would become indebted and unable to pay his obligations. Also, since a husband is legally bound to support his wife, he is liable for her debts unless she obligated herself to pay therefor, (*Howe v. North*, 69 M. 272).

On the other hand if the wife permits her property to be intermingled with that of her husband so that it is indistinguishable, she may be subject to it being sold to satisfy her husband's creditors (*Grover v. Alcott*, 11. Mich. 470; *Fechemier v. Pierce*, 70 Mich. 44).

Also, a wife may mortgage her separate estate to guarantee payment of her husband's debt (*Marx v. Bellel*, 114 Mich. 631).

Sale and Bailment

FOR many important reasons warehousemen should be able to distinguish between a sale and a bailment. For example, a warehouseman is liable for loss or injury of bailed goods where convincing testimony is introduced to prove to the satisfaction of the Court that the warehouseman or his employees failed to exercise ordinary care to safeguard the property.

If, however, from the character of the transaction it may be construed that the

stored merchandise was legally sold to the warehouseman, then the relation of debtor and creditor exists and the warehouseman is liable under all circumstances for loss or injury to the goods.

Moreover a warehouseman is not liable for payment of taxes on bailed property, whereas he is personally liable for taxes on all goods of which he holds the title.

For instance, in the recent case of *Kansas Flour Mills Co. v. Board of County Commissioners of Harper County*, 259 Pac. 795, it was disclosed that a warehouseman accepted wheat for storage, issuing warehouse receipts which contained the following:

"It is expressly agreed and understood that the Kansas Flour Mills Company may deliver any grade of merchantable wheat on the contract, providing that the Kansas Flour Mills Company pays to owner the market difference at Kansas City, Mo., between the grade of wheat covered by this contract and the grade delivered on the date delivery is demanded."

By this provision the warehouseman was not compelled to redeliver to the various owners the *exact* wheat stored, but he reserved the right to redeliver any wheat. If a cheaper grade of wheat was delivered on presentation of the warehouse receipt, he simply paid the holder the difference in the value of the merchandise specified in the receipt and that accepted for storage.

The County tax assessor included in the warehouseman's tax bill \$9,450 which was for the value of the average amount of wheat stored in the warehouse. The warehouseman paid the taxes under protest to prevent the issuance of a tax warrant and sued to recover the amount, contending that, as the wheat was not his personal property, he was not liable for the taxes thereon.

However, the Court held the warehouseman liable, and said:

"The question for determination is: Who owned the wheat? That depends on whether the transactions by which the wheat had been placed in the elevator constituted sales or bailments thereof. If the wheat had been sold to the plaintiff (warehouseman) it should pay the taxes, but if the transactions constituted bailments, it should not. Because the plaintiff (warehouseman) had the right to return any merchantable wheat and pay the difference in value, the possession of the wheat was not that of a bailee; it was the owner of the wheat, and the wheat was properly assessed as the property of the plaintiff (warehouseman) who must pay the tax thereon."

In explaining the rule for determining whether a transaction relating to stored goods is a sale or a bailment, the Court quoted:

"Where personal property is delivered by the owner to another for use and the identical thing delivered is to be returned, the transaction is a bailment and there is no transfer of title; but if it is stipulated that the one to whom it is delivered may return another thing of the same kind, or an equivalent in

value, or otherwise, it will ordinarily constitute a sale and effect a change of title."

Incorrect Insurance Policy Held Effective

GENERALLY speaking, any intentional or unintentional false statement by an insured person relating to material facts renders the policy void. However, in the case of *American Alliance Ins. Co. v. Paul*, 294 S. W. 58, it was disclosed that an owner of merchandise stored in warehouse No. 1 insured the property, stating in good faith that it was stored in warehouse No. 3. The warehouse No. 1 burned, destroying the property. The insurance company refused to pay the insurance money, on the contention that the policy was issued to cover loss in warehouse No. 3 exclusively. Also, the rate of insurance in warehouse No. 1 was \$2.31 per \$100, whereas the rate in No. 3 is 39 cents per \$100.

Evidence was introduced to prove that the warehouse company had, unknown to the owner of the merchandise, failed to store in warehouse No. 3 on account of congestion in this building.

The Court held the insurance company liable and said:

"A policy of fire insurance, like any other written instrument, is subject to reformation, where the facts and circumstances will justify, so as to express the real intention of the parties. It is not disputed that Mr. Paul wanted his cotton insured and that Mr. Wells agreed to insure it while in the possession of the Pine Bluff Compress & Warehouse Company. Mr. Wells, as agent of appellant, agreed and undertook to do this. If, therefore, having undertaken to protect Mr. Paul against loss of this cotton by fire while in the possession of the warehouse company, he either carelessly, negligently, or fraudulently so wrote the policy as to limit the coverage to loss to a particular possession instead of possession generally, this would amount to inequitable conduct such as to justify reformation of the policy."

Service Lien Superior to Mortgage

FREQUENTLY warehousemen are confronted with the question: Is a lien for the cost of labor and services in improving mortgaged property superior to a chattel mortgage on the property properly recorded before the services were performed?

This same question was presented to the Court in the recent case of *Kier Singh Doot v. Skirving Warehouse Co.*, 259 Pac. 81. A warehouseman was sued by the holder of a lien because by a previous agreement he had issued warehouse receipts to the holder of a chattel mortgage which was signed and properly recorded before the work was performed on which the lien attached.

The warehouseman contended that, as the mortgage existed before the lien, the mortgagor's right to possess the property

was superior to the right of the holder of the lien. However, the Court held the lien superior to the mortgage, saying:

"This is an action in conversion, and there is no doubt in cases of this class as to the burden of proof, for proof of the deposit and failure of the bailee to redeliver in accordance with the terms of the contract makes a *prima facie* case, and the burden, therefore, is upon the warehouseman to excuse the failure to make such redelivery. The rule now clearly is that the possessory lien of the improver of personal property is superior to the pre-existing lien of a chattel mortgage."

Legal Definition of "About"

SOMETIMES controversy arises over the legal interpretation of terms "about," "more or less," and the like, when included in verbal or written agreements. In *Holland v. Rock*, 259 Pac. 415, the higher Court quoted:

"The qualifying words 'about,' 'more or less,' or words of similar import, appearing in contracts of this character, have received a definite construction by the Courts, depending upon whether it was intended that the number or quantity qualified by such words was an estimate of particular lot quantity to be delivered, or a material part of a contract. The addition of the qualifying words 'about,' 'more or less,' and the like, is only for the purpose of providing against accidental variations arising from slight and unimportant excesses or deficiencies in number, measure, or weight."

Dispossession of Goods Invalidates Lien for Charges

THE United States Circuit Court of Appeals in the case of *Clark Bros. & Co. v. Pou*, 20 F. (2d) 74, has just handed down an important opinion in which is thoroughly discussed the legality and status of liens.

The facts of this case are that the Tobacco Growers' Co-operative Association is an organization composed of growers of tobacco who turned over their product to the association for marketing. When the tobacco was received by the association in its warehouses, certain advances in moneys were made to the growers by the association. In order to make these advances it became necessary for the association to borrow money from banks or other sources. To secure the amounts borrowed, the association gave a mortgage or lien on the tobacco in its possession and delivered the warehouse certificates as collateral. The tobacco was delivered in green condition and, in order to store it until it could be marketed, it became necessary to redry and pack it into hogsheads. The association entered into contracts with various redrying plants and warehouses to redry and store the tobacco for a certain stipulated price per 100 pounds.

Controversy developed when the association paid the operators of the redrying plants and warehouses the full amount due on the tobacco *then in storage*, but refused to pay money due for

redrying and storing tobacco that had been delivered to the association on open account. The plants refused to deliver the tobacco then in storage, contending that it was subject to liens for the money due on the previously delivered tobacco.

Therefore, the important questions presented to the Court were: (1) May a person retain possession of property in his control on which no money is due from the owner; (2) does he hold a lien on this property on the ground that its owner owes money for services rendered on other goods presently possessed by the latter?

The Court answered both questions in the negative and said that a lien is lost when the merchandise on which service has been performed is *surrendered to its owner*, and that other property of the debtor on which no money is due *cannot* be held to secure the lien. The Court explained the law as follows:

"The lien gives the artisan or worker upon property upon which he worked, security for the amount due him for the work. This is clearly established in common law. *But possession of the property is essential to the lien. Surrender of possession and the giving of credit to the owner of the property destroyed the lien.* This claim of lien is frequently illustrated by the case of the lien of the shoemaker for the value of his work done in repairing a pair of shoes. It was early settled by the Supreme Court of the United States that a lien which the law implies *will be excluded by a contract* containing stipulations inconsistent with such lien. A lien cannot arise where, from the nature of the contract between the parties, it would be inconsistent with the expressed terms or the clear intent of the contract. (*Randel v. Brown*, 2 How. 406, 11 L. Ed. 318.) A special contract to accept a particular mode of payment by a demand, or to give a time or credit for the payment, is inconsistent with a claim to retain the possession of the property until the payment is made, and consequently there is no right of lien in such a case. The conclusion seems plain that they (redriers and warehousemen) did not have a lien upon the tobacco in their possession for work done on tobacco already redelivered."

Warehouseman Held Liable on Prepaid Bill of Lading

THE outcome of the recently decided litigation of *Central Warehouse Co. v. Chicago R. I. & P. Ry. Co.*, 20 F. (2d) 828, should warn all warehousemen against carelessly making payments while relying on the written statements in bills of lading.

The facts of this case are that a carload of sugar was shipped to the Central Warehouse Co. on surrender of a bill of lading properly indorsed and marked freight "prepaid." The warehouseman disposed of the sugar on the account of the shipper and remitted the proceeds of the sale, less the commission for handling. The Central Warehouse Co. was not the consignee of the goods, but the bill of lading was indorsed to it.

Later, it developed that the freight

charges on the shipment had not been paid and, through error on the part of the carrier, the bill of lading was indorsed "prepaid." In the meantime the shipper had become insolvent, and the carrier, being unable to collect the charges from him, sued the warehouseman for the full amount.

The warehouseman fought the litigation through the various Courts on the contention that the carrier, in negligently marking the bill of lading "prepaid," had lost its right to collect the charges particularly from the warehouseman who had in good faith remitted the money collected by him.

However, it is interesting to observe that the higher Court held the warehouseman liable for payment of the charges, and said:

"The Supreme Court has determined that the carrier has a lien for the usual charges, and that the consignee in accepting the shipment in any case assumes the obligation of discharging that lien. This obligation on the part of the consignee is not to be avoided because it imposes a hardship, or because he has relied upon the fact that the charges have been paid and changed his position to his detriment. The initial carrier in this case by mistake caused the bill of lading to indicate that the freight charges had been paid by the consignor. The duty imposed upon the carrier by the act applicable to interstate shipment was to collect the lawful rate. This obligation was not only in its own interest, but in the interest of the public. It is not permitted to escape its duty by an oversight and thereby effect a discrimination."

Consignor Always Liable for Freight Charges

AND strangely, to say the least, where a warehouseman ships goods, as agent for a customer, and for any reason the latter fails to accept the shipment or pay the freight charges, the warehouseman is liable for the charges. So held the United States Court in its decision just handed down in the case of *Maryland Casualty Co. v. Ohio*, 20 Fed. Rep., second series, 514.

Therefore the law is established that a warehouseman is liable for the freight charges of a shipment of which he is the consignor, where the same is undelivered. Moreover, if the warehouseman is the consignee and the carrier is unable to collect the charges from consignor, the warehouseman is liable for the amount of the charges, although he relies upon the written stipulation in the bill of lading that the freight is "prepaid."

New York Dock Report

The report of the New York Dock Co. for November and the first eleven months of 1927 compares as follows with the same periods of 1926:

	1927	1926
November gross	\$311,731	\$281,859
Net income	66,329	59,003
11 months' gross	3,397,660	3,070,638
Net income	728,316	608,896

Keeping Up With the Developments in the Motor Truck Field

FOR the busy executive of a warehousing business who is keen to keep abreast of the times there are several important new things to think about in the field of motor hauling. Developments are following one another at a rapid pace, and all have a distinct bearing on the cost and opportunities of handling the hauling requirements of any warehouse business, regardless of its size. There are many advancements being made on the manufacturers' side of the industry, and some of these will be discussed in this department, which is conducted

By PHILIP L. SNIFFIN

THIS MONTH

Developments in Recorders. New Washing Equipment. Economies from
Compressed Air. Nitro-Cellulose Finishes. Oil Reclaimers and Rectifiers.
Cutting Upkeep Costs. The Dynamometer. New Models.

THOSE of us whose contribution to better warehousing methods is wrapped up in daily efforts to keep truck costs at sensible levels like to think of our work as a kind of profession devoted to guarding business profits.

We have learned that this business of using trucks involves a greatly varying cost—sometimes big enough to kill the chance for profit and sometimes low enough to put us at a big advantage in our field. And it all depends on *how* our trucks are used.

No matter whether we have only a few trucks and the problem seems simple. It is not enough merely to purchase two or three vehicles, keep them in the garage, and send them out to make hauls as each need arises. And why? Because this very practice is one thing that puts the small warehouse owner at a tremendous disadvantage. The large concern with its large fleet feels the need for a system to control this expense; and the system, once established, operates for continually greater economy. The smaller fleet owner with few vehicles and no system is invariably the one who, in any nation-wide survey of warehousing costs, we find paying by far the most on his percentage of truck expense to gross sales.

Can this waste be overcome? Yes, indeed—we have proven this in actual practice.

Is it more difficult for the small fleet owner than it is for the large one? No, for the opportunities are alike and the principles in each case are the same.

And it is only a matter of establishing them and scaling them up or down to meet the need.

On these pages we are constantly pointing out the ways in which it can be done. Better truck selection to meet our needs, better maintenance, routing

and driver handling, less idle equipment and driver time, closer cost calculations and comparisons—these phases and others are constantly offering greater and greater opportunities for economy, and they are being pointed out from time to time in these articles in *Distribution and Warehousing*.

We are interested in new developments in the truck industry that have a bearing on warehouse delivery costs. The subject of this article is that of keeping posted on new equipment that has recently been made available by the truck manufacturing and allied industries. Some of these equipment pieces which have clearly demonstrated that they can offer economies or other improvements in better service will be briefly described.

Developments in Recorders

A SIGNIFICANT development is the improvement in, and growing acceptance of, performance recording devices. These "recorders," which take the form of a small instrument attached to the dash-board or at some other convenient position on the body of the vehicle, operate on a kind of seismographic principle, such as commonly used by scientists to record the vibrations of earthquakes. A paper disk such as shown in the illustration is inserted in this instrument each morning and removed each following morning. It records by distinct markings on the disk, by means of a method which relies on the vibration of the truck in motion, the exact performance of the vehicle during the past twenty-four hours. In the particular device illustrated, known as the Recordograf, both time and mileage records are combined. This is a development which adds considerably to the value of recorders as a whole, as it tells

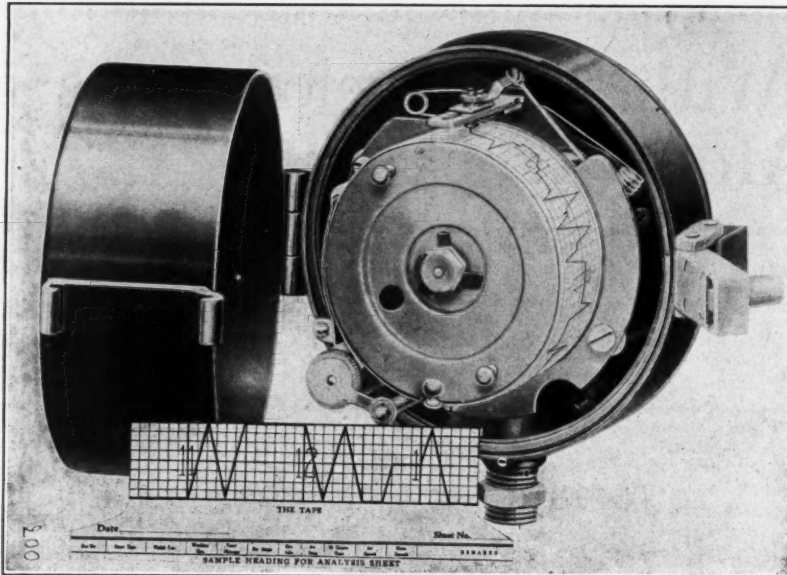
not only the time of departure, the time of return, the number of stops, and idle time, but also such important items as running speed, distance between stops, and total number of miles traveled.

Satisfactory performance recorders have been a long time in the making. Necessarily the mechanism of such an instrument is delicate, and it has not been until recently that the device has been perfected to withstand lengthy service with reliance. Now, however, it may be safely said that recording devices are ready for a wide and increasing acceptance as a means whereby the small or large fleet operator may, with a very minimum of detail, keep track of truck use.

The recorder is really, in itself, a complete performance record system for each truck in service. It does give the owner of the business or the man responsible for delivery, a complete picture of what his truck and its driver are doing every minute of the day. Leaks in idle time are disclosed, drivers are checked in their work, and, moreover, it is even possible to tell, by a little study of mileages involved, whether deliveries are being made within a radius which is profitable.

Some recorders are confined to recording time without mileage. This type of device in most of its forms is a dash-board instrument which shows the duration of stops and running time. It is essentially a check on the driver, revealing whether he has performed a satisfactory day's work; it functions, in effect, much as a time clock serves as a check on the inside men. More than this, however, the time recorder shows whether the cost of idle vehicle time is overburdening.

For the user of a small number of trucks there is a particularly important



The Recordograph, which combines both time and mileage records

opportunity in the use of recorders. They give him all the advantages of watchfulness that the larger fleet owner could possibly get from an intricate system of keeping accounts. They provide him, in easily visualized form, with a knowledge of what goes on when his trucks turn the corner, and show him just where opportunities lie for obtaining greater economy. For a long time their need has been felt and in their present improved form, with serviceability more assured, the writer can wholeheartedly recommend them for the careful consideration of any user of a motor truck.

New Washing Equipment

WE who are in the trucking end of the warehouse business know too that it is important, from the viewpoint of the sales end, to capitalize on the attractive appearance of a fleet of trucks.

Modern washing equipment has made it possible to meet the demand for clean trucks without great expense or loss of time. Trucks are being cleaned regularly in ten minutes, sometimes less. Labor costs are now about one-fourth of those of former hand methods. An additional feature of up-to-date cleaning outfits is that chassis parts which formerly were slighted in the cleaning operation, because of the time and labor involved, are now cleaned thoroughly with little loss of time.

Cleaning always expedites the mechanical inspection of the chassis. In fact in some fleets this feature is more important than outward appearance. Inspection is apt to be slighted on a chassis which is covered with road dirt, tar or caked mud. Use of putty knife, kerosene can and brush is disagreeable and requires much time. Modern cleaning systems eliminate the handicap of dirty chassis parts at inspection time.

These new cleaning outfits may be placed overhead or in the heating boiler room or any out-of-the-way place and discharge lines run to the wash space.

If ramps are available for inspection of chassis, cleaning is frequently done on the ramps. This method has been found effective by several large fleet owners. It provides exceptional facilities for a thorough cleaning of the entire underbody and running gear. Such cleaning may be given every second or third time the body is washed. Air and hydraulic hoists are also used to expedite washing the undersides of vehicles.

A special type of car-washing apparatus has been evolved for rapid washing of large delivery fleets. Washing, usually done every day, is accomplished by a sort of shower bath consisting of pipes so arranged that jets of water are directed on the sides, top and bottom of the vehicle. The driver remains in the truck while it is being cleaned. Flow of water is controlled by valves operated by one man. As the trucks are cleaned every day, the amount of dirt or dust to be removed any one day is small and washing is done very quickly.

Rubbing and polishing with sponges and chamois—common practice on passenger cars—is not now so generally followed in washing trucks. Air-drying of bodies gives a finish which is quite satisfactory for commercial vehicles.

Three types of cleaning equipment are now in common use: the straight hydraulic, the hydro-pneumatic and steam outfits.

In straight hydraulic type washers, water is pumped to a pressure of about 200 pounds and is discharged through adjustable nozzles providing a fine spray or a narrow cutting stream. Suction lines are connected to city water mains, warm water supply or to tanks or bar-

rels containing cleaning compounds or soap solution. Pumps are usually of the outside packed, single-acting plunger type. The plungers, two or three in number, are operated by connecting rods from a crankshaft. Power is supplied by an electric motor which drives the unit through chain or belt. Pressure is regulated by a control valve which bypasses excess water. Another type of pump uses double opposed cylinders with two plungers formed in one piece and operated by a crankpin.

The hydro-pneumatic type outfit employs air under pressure to atomize water in a nozzle and propel it toward the vehicle. Boosting of water pressure is provided by a pump but the water is not put under high pressure. Air alone is used for cleaning interior of bodies, tire inflation, drying and in connection with special nozzles for spraying kerosene and anti-rust compounds. The air-water nozzle is adjustable for a fine spray for body work and a more concentrated discharge for chassis cleaning.

Steam outfits consist of a steam boiler, usually gas-fired and automatically controlled, an elevated tank for cleaning solution, a double hose and a nozzle. Steam alone is used for cleaning upholstery and bus body interiors and is used in combination with patented materials, kerosene or other solvents to clean chassis, engines, transmissions and to remove tar.

Where steam outfits are installed, primarily for parts cleaning, they are often used to supplement water washing systems especially for cleaning and stripping in preparation for painting.

Economies from Compressed Air

THERE is hardly a way in which more rapid strides have been made to help the warehouse owner control maintenance costs than in the recent development of compressed air equipment. Where once compressed air was thought of and used only for inflating tires, now a number of units are offered which combine many attachments that economize on the time required to do at least a dozen different shop operations.

These units consist of a central self-contained outfit which manufactures the compressed air and supplies it at both high and low pressures for such purposes as paint spraying, cleaning motors, cleaning parts at the bench, blowing out carbon, spraying springs with penetrating oil, operating pneumatic doors, gasoline systems, air lift grease racks and high pressure lubricating systems.

Paint spraying and lacquering by means of compressed air has, we know, produced great economies in the production of passenger cars and much thought is now being given to the process as applied to commercial vehicles. Up until recently the cost of this equipment has been entirely prohibitive to the truck user, but recent developments have resulted in models at lower costs which perform most satisfactory work and which offer much in the way of reducing the repainting costs.

Nitro-Cellulose Finishes

MUCH interest lately has centered on the advantages offered by what are known as nitro-cellulose lacquers both for original painting and repainting work.

Nitro-cellulose lacquers have this fundamental difference from oil or varnish type paints—they dry by evaporation and not by oxidation. This takes place in minutes as against hours for the oil or varnish type of paint.

There are two general types of nitro-cellulose finishing systems. One is the complete nitro-cellulose finish and the other the composite type which has oxidizing under-coats. It is stated that in tests, maximum speed was obtained with the all-nitro-cellulose finish, but the necessity of covering wood, metal and compositions on many bodies sometimes makes the composite system more desirable.

The type of finish selected depends on many factors. The elaborate lettering and decoration which is so frequently used on delivery vehicles almost demands a clear varnish finish, although the undercoats may be nitro-cellulose.

Oil Reclaimers and Rectifiers

A DEVELOPMENT worth mentioning here, not altogether because it is at the present time to the point where the average truck owner can profitably use it, but because it bears watching, is that of oil reclaimers. A unit has been devised, principally for use by large fleet owners and garages, that is quite simple and entirely automatic, for the reclamation of used engine oils. This device is reasonably priced and low in operating cost and does not require the attention of a skilled operator.

It reclaims the best properties of oil for use again, and, as such, it offers some measure of economy in the maintenance of a truck fleet. There is some question as to whether the process is worth the cost of the equipment to the smaller truck user, but its adoption by many large concerns indicates that it has a worthy field of use if only insofar as a method may later be devised wherein small users may benefit by it cooperatively.

Oil-rectifying systems, a part of the truck itself which strains or purifies the oil during its use in the motor, are being seriously considered as worth while accessories, and one or two truck manufacturers have adopted them as standard equipment.

Cutting Upkeep Costs

THE electric drill has lately been made practical and has become extensively used for cutting time and labor cost on repair and maintenance work. With the aid of attachments this tool is used for cleaning carbon and has been found much faster than hand scraping.

Other attachments used with the drill are a valve facer and a valve guide reamer. With the assistance of this equipment, the time required to grind valves and clean carbon has been reduced



Two furniture vans which the Caddo Transfer & Warehouse Co., Inc., Shreveport, La., has added to its fleet of moving equipment. The bodies were built in Shreveport by the American Body Co., which has recently turned out bodies of this type for warehouse firms in the South. Each of the new Caddo vans is 7 feet wide overall and 16 feet long back of the driver's seat, with a 3½-foot tail gate; overall length about 25 feet. Haskelite metal is used throughout. The body is mounted on a Mack bus chassis, providing the advantages of passenger car riding qualities.

materially. Both reboring and regrinding equipment are available. In some instances, where an engine is performing satisfactorily in other respects and the bearings are in good shape, the reboring is done with the engine in the chassis. Great care is exercised in fitting pistons and rings, and piston clearances must be tabulated for the different types of vehicles and made available to the mechanics.

In refitting bearings, a disk grinder is employed to remove surplus material from the shell, as this method is much faster than filing. The old bearing is slid into a fixture fitted with a dial gage which then is set at zero. This new bearing is then put in the fixture and the gage shows how many thousandths must be removed.

For main bearing finishing, a fixture is employed. This work is done with the cylinder block in place on the crankcase, as experience has shown that otherwise the bearing alignment is disturbed when the block is attached. Connecting rod bearings also are bored.

The main tool and the method of fitting bearings is one indication of the material strides that have been made in the design of equipment for proper and long-lived repairs.

Many truck operators have found that tools of some classes have become obsolete because later designs permit such increased time saving that it is profitable to make changes.

The Dynamometer—How It Helps

ANOTHER important new unit of equipment which serves particularly well in the shops of large fleet users and in service stations patronized by smaller concerns is the device known as the dynamometer.

By means of this apparatus, after the engine has been overhauled, it is coupled with electric power for an hour and run at 800 r.p.m. As soon as the meters show that the correct frictional horsepower is being developed, the speed is stepped up. This operation is continued until the engines have properly freed themselves. Then the engine is put under its own power and given a running-in test under load, a record being kept of the horsepower developed at various speeds. This test brings out any de-

fects and they are corrected before the engine is placed in the chassis.

Before the introduction of the dynamometer, three to four days of running-in and driving around the streets was often required before the engine was considered ready for use. If trouble developed of a character that could not be taken care of without removing the engine, it was necessary to take it out, which was costly and in addition kept the truck out of service.

Trailers; Demountable Bodies

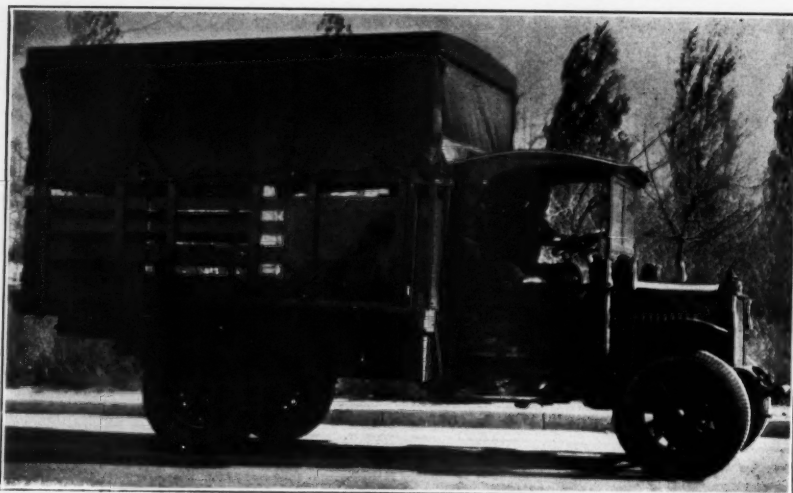
CONSIDERABLE thought is being given nowadays to a recognition of the fact that any study of motor transport involves three elements—trucks, trailers and demountable bodies. The truck, being first in the field, is better understood than any of the others. For that reason discussion of trailers and demountable bodies has been mainly along the line of comparisons.

It is a mistake, however, to consider these three elements competitive. Each has its place. In planning hauling equipment the important consideration is determination as to whether the truck by itself, the truck and trailer, or the truck with demountable body, best fits the particular need at hand.

Primarily the function of the commercial trailer is to reduce hauling costs. It accomplishes this purpose in three ways: (1) by increasing the payload capacity per motor unit; (2) by eliminating motor idleness during loading and unloading operations; (3) by matching the needs of special merchandise with special bodies.

As mentioned in our article in the January issue, State highway laws restrict the weights of the merchandise which may be hauled on four wheels, on a single axle, and on a given amount of rubber. The fact that 80 per cent of the weight of any load carried on the average truck falls on the rear springs and is communicated to the road through the rear wheels is an important factor in determining the maximum payload of a truck.

Most any truck can haul a trailer with ease. Because the load is carried on eight wheels, the combination has, in many States, a legal weight allowance double that of the truck. In other words,



This new van of the Swift Moving & Storage Co., Denver, is equipped with a stake body—stake and panels—making it available for other hauling purposes as well as household goods. In bad weather a top can be attached for protection of contents

unit for unit, the truck-and-trailer combination increases the pay-load 100 per cent. The running expenses—for oil and gas—are increased at the most not more than 20 per cent.

Demountable bodies likewise have much to offer as a means for eliminating motor idleness during loading and unloading operations. We have not space to discuss these units fully here, but in a later article more will be said as to how these units fit in economically with furniture deliveries.

New Type of Moving Van

MOVING and storage companies operating in climes similar to that in Colorado may be interested in the new type of vehicle being used by the Swift Moving & Storage Company, Denver.

Stormy weather is of not such frequent occurrence in Denver as to warrant the use of the heavy inclosed vans so customarily used for the transport of household furniture.

The Swift company's new truck is equipped with a stake body—stake and panels—which makes it available for other hauling purposes than transport of furniture. When the weather is good it can be used for furniture just as well as the covered van can. But for bad weather the firm has a top which can be attached within fifteen minutes and which offers protection to the truck contents.

This top is attached to the truck by uprights at each corner. The uprights run from the bed of the truck to the top of the canopy, assuring greater rigidity, and there are sufficient bolts with turn-buckle nuts to fasten it securely.

By this arrangement the weight of the vehicle with the van top and side curtains is much less than the weight of a regular van of the same capacity. This reduces the cost of operation and makes it an excellent truck for inter-city haul-

ing where the extreme weight of vans and their contents makes them difficult to negotiate on country roads.

The panels and stakes are padded for the protection of the furniture, just as a regular van is padded.

Greenfield Convertible Van

A VAN convertible to truck body with stake sides has been turned out by the Greenfield Bus Body Co., Greenfield, Ohio, for the Marietta Transfer Co., Marietta, Ohio.

The bulkhead is an integral part of the van body, and the cab, of regulation heavy-duty type, is built separately. The entire van body, 18 feet long by 7 feet by 7 feet high, is removable, leaving a platform body that can be used with stake sides. The latter are furnished with the van as part of the equipment.

Plymetl—steel-faced plywood made by the Haskelite Manufacturing Corp., Chicago—is used for the exterior side panels.

New Models

REO MOTOR CAR CO., Lansing, Mich.: The "Speed Wagon Tonner" is this company's latest product. It has a wheelbase of 123 inches and is powered with a 6-cylinder engine and is equipped with 4-wheel internal hydraulic brakes. Four body types are available—panel, stake, express, and express with canopy top. Artillery type malleable iron wheels with 30 x 5 inch tires are standard. The list price is \$995.

Sterling Motor Truck Co., Milwaukee: Model DB-8 is a new light 6-cylinder chassis designed for carrying loads up to 1½ tons and to run at speeds up to 35 m.p.h. The standard wheelbase is 150 inches but one of 164 inches is offered. Chassis weight is 4200 pounds, with load capacity 3000 pounds and the

body allowance 800 pounds, making the maximum weight 8000 pounds. Wheels are of the metal-spoked type and are fitted with 32 x 6-inch tires.

Suggests Toll Highways

Lester B. Barlow, president of the Union Highways Association of Boston, is the sponsor of a proposed system of privately constructed toll express highways to connect the larger cities of population by direct routes, and it is understood in Boston that Congress will shortly investigate the plan to determine whether the Government should sanction such an undertaking by private capital.

The first link in the contemplated project would be between Boston and New York City, and Mr. Barlow is of the opinion that, if the Government will approve his idea, a start may be made by financing a considerable part of the initial section. The system would be paid for by moderate toll rates.

Mr. Barlow's plan is featured by directness, free from grade crossings and from the windings and turns of the existing roads from one small town to the other. He cites the possibilities in the section between Boston and New York with their tremendous populations and the many millions grouped in large centers of population. Mr. Barlow thinks that a fair return on the investment could be paid off in a comparatively few years and the roads could then be turned over to the public. He selects the territory between Boston and New York as a most fruitful one for the start of a system of this character and believes that, if the idea is once demonstrated, the express highways system could be carried across the continent, with construction being made a little at a time.

Resigns as Wharf Co. Head

Joseph B. Russell, a director and president of the Boston Wharf Co., Boston, for past 42 years, has resigned as its executive head. The company's business primarily has been confined to wharfage and storage but with the extended development of Boston's harbor front the corporation today is the owner of many valuable parcels of waterfront land as well as several wharves and office buildings.

Harold F. Mason, formerly treasurer, has been elected to succeed Mr. Russell.

Mercedes Warehouse Burns

Loss estimated at \$50,000 was caused by a fire which broke out in the plant of the Valley Storage & Warehouse Co., Mercedes, Tex., recently, destroying the building and all its contents. It is believed that the blaze was started by rats gnawing matches. The loss was partially covered by insurance and immediate reconstruction of the buildings, and resumption of the business, are planned.

WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of general interest to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

Cold Storage Operation, Products, Humidity, Discussed at Convention of National Association of Practical Refrigerating Engineers

COLD storage, both in its technical details and in its relations to modern civilization and the comforts and conveniences of American life, was dealt with extensively in papers and discussions at the recent eighteenth annual convention of the National Association of Practical Refrigerating Engineers, held in San Francisco. Adjoining the convention hall was a large auditorium, with better than 36,000 square feet of floor space in which forty-three manufacturers and distributors maintained exhibits. A number of these were devoted to equipment for cold storage plants, and interest was keen among the more than 300 delegates in these developments in refrigerated warehousing.

More attention was paid to cold storage and its advancement through large plants and their equipment than ever before in the history of the organization, according to B. S. T. Dobree, of New Orleans, retiring president, and to Fred I. McCandlish, of Texarkana, who was elected to head the N. A. P. R. E. for the coming year.

"Operation of a Cold Storage Plant," the first paper concerning cold storage to be presented, was read by Charles W. Chapman, of the Detroit Refrigerating Co., Detroit, who said in part:

"Cold storage preservation of perishable food supplies is no longer an experiment. It has developed into an industry which is essential to the food supply of all Americans, and we have the most varied foods in the world. In fact it is cold storage which makes possible our wide diversity of foods.

"A cold storage building, to operate at maximum efficiency, should have as many railroad tracks as possible, to handle the greatest number of cars simultaneously that can be accommodated at its platforms. It should be similarly equipped to accommodate the greatest possible number of motor or horse-drawn trucks. It should have the latest specialized construction and equipment for intake and outgo. At our own building, in Detroit, we are able to spot eight freight cars and 20 trucks simultaneously.

"The prime function of a cold storage

plant is to maintain all the rooms at the temperature known to be best for the variety of commodity stored in the particular room. We have found that coolers 60x120 feet are best, and in them we use six thermometers, with frequent, regularly-timed readings, to insure evenly-maintained and exact temperatures. We use freezers of the same size, with three thermometers for the same purposes.

"In preparing our egg and apple rooms we first ventilate them thoroughly, and sweep the pipes, walls, floors and ceilings with coarse brooms. Then we fumigate each room thoroughly with sulphur, and, thereafter, whitewash them completely. The rooms are filled at a temperature of 36 degrees, and, after being filled, are pulled down to 30 degrees, with humidity of 80 to 86. Eggs at 85 humidity and up are apt to show mold unless complete circulation of air is maintained. We pile the eggs eight cases high, the cases one-half inch apart, with two feet between the rows. Ordinary lath for holding the cases apart has been replaced by 3-16th inch lath specially made for our purposes.

"Ceiling piping is used, and the freezer room for butter is prepared in the same way as the rooms for eggs or other perishable food. The butter is in kegs, and the room is down to 10 degrees when filled, and is kept at this temperature. The cheese rooms have low ceilings, not more than eight feet, for cheese cannot be piled higher because the weight will crush the bottom boxes.

Apples, Lard, Milk

"Apples in barrels are piled five high, with 2x2-inch timbers between each layer, and well ventilated, even in hot weather, as well as at zero outside temperature. Boxed apples are stripped every third row for circulation, and to keep them from falling. The pear room is nearly the same as that for apples, with a temperature of 31 degrees. Green pears, we have found, can be kept at 28 degrees without the appearance of mold on them.

"The lard room is kept at 40 degrees, with two strips between the piles, giving

a two-inch space. Little refrigeration is required for this room, but we are very careful constantly to maintain an even air circulation by the use of fans.

"The condensed milk room—and this is the heaviest product, package for package, offered to cold storage houses—is kept at 36 degrees, and the contents are well distributed for the best maintenance of air circulation.

"The pork-side room is filled and piled by the owner, for which we are duly grateful. Four inches of salt are first spread over the space the pork is to occupy. Then a layer of meat is put on this, then another layer of salt one and one-half inches thick, and so on up. The temperature is maintained evenly at 34 degrees. Beef is kept in a freezer room at 15 degrees.

"In the buckwheat flour room the sacks are cross-piled with as much room as possible for air circulation. Poultry is kept in barrels at minus—10 degrees."

Discussion of this paper brought that the piling in Mr. Chapman's plant is done by tiering machines for the heavier commodities, while the stuff of ordinary weight is piled by hand. It was developed also that the low temperature on the poultry is necessary to keep it dry, as well as fresh.

In reply to a question Mr. Chapman said no danger has been found to accompany fumigation of a cold storage room with sulphur. He cited an instance in which a room full of eggs was fumigated in this manner for four hours by mistake, four pots of sulphur being used. No harm was done to the eggs. Similarly this fumigation does not injure apples or pears. It does, however, destroy mold on pipes and in corners or other hidden places, wherever the fumes can search it out.

Air circulation in the egg rooms of the Detroit Refrigerating Co. at 30 degrees temperature and 80 humidity is maintained with four ozone machines, moved from room to room on a truck. In other rooms one and one-quarter inch pipe is used, with a coil in the center of one side, with no fans to circulate the air. Some of the delegates commented on this by saying that they use force-draft on potatoes. Many, however, admitted that,

if they possibly could avoid it, they will not accept potatoes for storage. It was the consensus that a ventilating system helps stored potatoes, prevents sweating, and that the humidity must be controlled.

"All our freezers are direct expansion," said Mr. Chapman, "and all our coolers are brine, with no pans under them. We cool a room with 35 carloads of eggs in it, in two days."

Discussion developed that one of the greatest problems of the cold storage houses present was how to handle hot fruits and fresh eggs. Mr. Chapman explained that his company increases the humidity in the egg rooms from 80 to 86 by a fine spray of water driven against the walls and floors, everywhere except on the eggs.

"It is my belief," he added, "that eggs are shrunken during the first few days they are in storage, but if the room humidity is kept at 80 or above, this humidity will allow of very little shrinkage. We especially use plenty of water in the egg rooms if the outside air is dry. Too high humidity in the apple room is, in my opinion, almost impossible. We keep these rooms at 32 degrees. We use ozone on eggs, cheese, meat and butter, but only after the butter is frozen."

Control of Humidity

Another paper was concerned with "Humidity Control" and was read on behalf of Charles A. Moore, Minneapolis, who said, in part:

"This paper will deal with ventilating control in cold storage plants. To preserve commodities which take in oxygen and give off carbon gases it is essential to maintain a uniform humidity, producing as nearly as possible natural and normal conditions. In this, head is a consideration, but not an element. The greater part of the perishable products must be supplied with humidity, but this humidity must be exactly right for each commodity. Too high humidity ruins by rotting; too low humidity brings on shrinkage.

"Uniform humidity of the right percentage, and normal heat, must be aided by circulation of atmosphere. In other words, we must bring air containing moisture in contact with the stored goods. Humidity is merely water in vapor form sustained by the air. Carbon dioxide is heavier than the air. Humidity can be maintained only in connection with a refrigerant giving and keeping a uniform temperature.

"The air must be kept moving constantly in cold storage rooms, so that air carrying moisture may be at all times completely surrounding the commodities stored. Yet the atmospheric pressure in the room must balance the barometric pressure outside that room. The properly-conducted air current skims off the carbon dioxide and carries it outside. There is no substitute for air in doing this.

"A hermetically-sealed room is unsuitable for the storage of perishables. This work, however, is still in its in-

fancy. It must be remembered that all perishable foodstuffs 'breathe,' and a reduction in temperature also reduces the respiration of fruit or other goods, while a closed room buries the commodity in its own breath.

"In the room under discussion the air is drawn in from the outside and passes through the carbon dioxide within the room. This gas is soluble in water—that is to say, in the humidity carried by this indrawn air. The perishables thus give up their vapor, and, if the humidity be too low, shrink in size and weight. If the humidity be too high, molds and funguses develop. Moisture in the closed room can come from only two sources—the stored goods or through the walls.

"The simplest manner in which to control the humidity in a cold storage room is to pass in fresh air, with sufficient humidity, at the bottom of the room, raising the diffused and partially-dissolved carbon dioxide to the ceiling, and there taking it out. Some rooms will run as high as one and one-half per cent carbon dioxide, and when it reaches three per cent, man himself feels it, in increased difficulty in breathing, a feeling of strangulation and similar discomforts of breathing. There have been instances of men dying from suffocation in this gas in closed banana rooms. Carbon dioxide is non-poisonous, and is easily detected by the breathing organs. Resuscitation from it is not difficult. Carbon monoxide is odorless, colorless, difficult of detection and almost instantaneously deadly.

"In drawing off the gas at the ceiling, a ten or twelve-inch pipe, surrounded by brine coils, may be used advantageously. Usually, 32-degree air contains two grains of moisture. It will be found impossible to ventilate a room by blowing air in from the outside, without taking off the air laden with carbon dioxide at the top of that room. But it can be done by bringing in the humid air at the bottom and skimming off the unwanted by-products at the top, even though the outside temperatures and humidity be varying all the time.

"It thus becomes obvious that air cannot be obtained by opening or closing of cold storage rooms."

Synthetic Ammonia

H. A. Somers, plant superintendent of the Mathieson Alkali Works, Niagara Falls, read a paper on "Synthetic Ammonia," presenting the subject in such a manner as to be of interest to cold storage operators as well as to ice-makers. In part he said:

"Much effort for many years has been spent on the production of pure synthetic ammonia. An erroneous impression prevails on the meaning of the word 'synthetic,' which has been so misused that it is taken to mean 'imitation,' while, as a matter of fact, it really means, 'built up,' and that is just what a synthetic product is. Synthetic ammonia, the product under consideration, is true and pure ammonia, 'built up' from its constituent parts in the laboratory.

"Virtually all ammonia commercially used today is made by the direct synthetic process. The French plants make ammonia at about 2,000 pounds pressure; the Italian at 9,000 to 10,000; the American, at 4,500, and the German at 3,000. There is one plant using the pressure process in the United States at 15,000 pounds, but the industry is gradually centering on the 4,500-pound ring of pressures. All the methods used to make ammonia, except the pressure process, are similar."

A paper on "Insulating Materials," written by Prof. J. C. Peebles, of the Armour Institute of Technology, Chicago, was read by Prof. E. S. Libby, of the same educational institution.

Ozone

"Ozone in the Cold Storage Plant," was read on behalf of Dr. Frank H. Hartman, chief engineer of the U. S. Ozone Company, Chicago, who said in part:

"What we are trying to do is remove from the public mind the idea—which is prevalent—that cold storage products are in any sense 'artificial.' To do this we must prove that perishable foodstuffs, when they come out of cold storage, are in just as natural a condition as they were when they went in. If we are to accomplish this result we must produce a natural state or condition of humidity and temperature completely surrounding these perishables all the time they are in storage. Humidity control, especially, is very much needed in cold storage plants.

"Now, humidity is transmitted by means of air, which is the medium in which cold storage products are preserved, just as pickles are preserved in brine. This air composes the atmosphere which surrounds and protects the earth, and enables life to exist and persist upon it. The greatest burden put on the atmosphere is the absorption of the gases thrown off by plants and animals, including man. Life depends on this absorption process, which is known as 'oxidation.'

"The air in an empty room is as pure as the air outside, but if the oxygen in the room is not active it needs a 'promoter'—one of those indestructible and inactive fellows known to the chemists as 'catalysts,' which assist other fellows to greater activity, without giving off anything themselves. Outside air is spurred to chemical changes by sunshine, rain, electricity and wind. The air inside is kept away from these normal 'promoters' and the only artificial condition in a cold storage plant is the housing of the air.

"Ozone is added to this housed air to promote the chemical changes necessary in the cold storage room. Ozone is modified oxygen, the molecule of which contains three atoms, instead of two, as in the normal oxygen of the air. This three-atom element is extremely unstable; it breaks down into nascent oxygen, or combines quickly with other elements. It is the naturally-made factor in the clear and bracing air which follows

heavy electrical discharges, better known as 'thunderstorms,' in the outside atmosphere. It gives to the air in a room the purity and activity maintained by nature in that shell of air which surrounds and protects this globe. . . .

"The operator must know how much ozone to use, depending on the size of the room and the condition of the air. No standard can be set for this proportion, but, in general and roughly, it is estimated that one ozonizer unit is required for every 20,000 cubic feet in new buildings and one for every 10,000 to 15,000 cubic feet in old buildings.

"By feeding the ozone gently through three-eighths-inch pipe to fans, blowing the air evenly and slowly out of the room through other pipes, the air can be kept in good circulation, touching and surrounding all the perishable products in the room. By this means, too, eventually all the air in the building will be in gentle and adequate circulation. It must be borne constantly in mind that it is very dangerous to let outside air into cold storage rooms.

"These conditions virtually necessitate the use of an air-conditioning—that is, drying and cleaning—machine with every ozonizer. The two machines, set on a small truck, are probably the most convenient to handle throughout a cold storage plant. A mixture of .5 to .8 of one part of ozone to 1,000,000 parts of air is sufficient for the egg and fresh-fruit rooms, according to the results obtained from many experiments.

"In large plants, where large dehydrators are used for the air prior to its entry into the ozonizer, these dehydrators must be rested and thoroughly dried out every 70 hours. They require about 12 hours to dry, so that it is necessary to have at least two of them, in order that one may take up the burden while the other rests. Installations of any size can be made, and in large several-storied cold storage plants it is customary to place one ozonizer and two dehydrators about one-third of the floors up, and another two-thirds of the way to the top of the building. A utility ozonizer and dehydrator combination, mounted securely on a small truck, for use in the smaller plants, is in steadily increasing demand."

The more than 300 delegates spent considerable time in inspection tours of cold storage plants in San Francisco and other cities around the bay. Louisville, Ky., was selected as the place for the next annual convention, with the exact date to be announced later.

—H. H. DUNN.

Massachusetts T. C.

"ARTISTIC and Aesthetic Trucking," discussed and pictorially illustrated between Drohan the truckman and Franklin P. Collier, newspaper cartoonist and originator of the "Otto Grow" cartoon series, created a riot of laughter for 200 members of the Motor Truck Club of Massachusetts, Inc., at their annual dinner at the Hotel Buckminster, Boston, on Dec. 13.

Prior to the dinner a business meeting was held at which were considered a number of problems pertaining to the trucking industry. Several speakers appealed to the members to appear before the next State Legislature and present a solid front on the different measures coming up which if enacted would be liable to affect their business through additional burdensome taxes and unfair regulations.

—S. F. HOLLAND

Massachusetts W. A.

THE alleged unfair and antiquated distribution of tax levies as long practised in Massachusetts, and particularly in the Boston metropolitan district, should be a warning to other cities throughout the country, according to former Representative Elijah Adlow, of Massachusetts, speaking at the December meeting and luncheon of the Massachusetts Warehousemen's Association, held at the Exchange Club, Boston, on the 20th.

Introduced by President Samuel G. Spear, Mr. Adlow, who is legislative counsel for the city of Boston, addressed more than 25 members on the subject "Massachusetts' Taxation from the Point of View of the Cities." He cited the unparalleled arrangement of long standing in Massachusetts by which Boston bears the entire expense of Suffolk County, notwithstanding the county includes one other city and two towns which contribute nothing to the maintenance of the county's institutions and highways. He pointed out that the cost of pensions in Boston has jumped from \$462,000 in 1917 to \$2,128,000 in 1927 under the contributory system. In setting forth the unfairness in which tax levies are distributed, Mr. Adlow declared:

"The present revenue of motor vehicles—after deducting the administrative expenses of the division—is applied entirely to State highways. These comprise only 1450 of the 22,000 miles in Massachusetts, or about 7 per cent. The remaining 93 per cent is constructed and maintained by the cities and towns. The amount which has been spent within the city of Boston for State highways is negligible; nothing in either Worcester or Springfield."

President Spear reported his attendance at the formal hearing recently before the United States Shipping Board in Washington on the application of New England business interests for the restoration of the ocean rate differentials which were in effect before the war. He said as representative of the Massachusetts Warehousemen's Association that the case was favorably presented and that he felt confident that the rate would be restored.

He also announced on the petition of Wiggins Terminals, Inc., that no decision had yet been made by the State Department of Public Works in reference to the wharfage charges on lumber han-

dled on the piers owned by the Commonwealth.

Mr. Spear made known that a conference was being arranged to consider the present inconsistencies in the Howard Tariff. As the railroads, the Army Base and the Commonwealth will be represented at the conference, it was voted that the Wiggins Terminals, Inc., be empowered to represent the public warehouse interests.

Olin M. Jacobs, secretary, who was a delegate to the New England Council Conference held recently, reported on some of the outstanding points of interest brought out at that conference. He said that B. Loring Young, in his address to the delegates, saw but little opportunity for a reduction of State taxes; that economy in city and town expenditures just now offer the most promising field. Mr. Jacobs quoted Mr. Young as recommending for Massachusetts a gasoline tax, a board of tax appeals to consider all questions of abatement, and a commission to study present local taxation and administration.

John S. Gerety, Worcester, who also attended the conference, suggested the desirability of warehouse representation in the New England Council Conference through committee membership or otherwise. Secretary Jacobs was instructed to investigate possibilities of representation for the public warehouse industry with a view toward membership in the organization.

—S. F. HOLLAND.

Michigan

THE Michigan Furniture Warehousemen's Association held its annual meeting at the Hotel Savoy in Detroit on Dec. 15 and elected officers for 1928 as follows:

President, James D. Dunn, president Riverside Storage & Cartage Co., Detroit.

Vice-president, Arthur A. Leonard, president Leonard-Detroit Storage Co., Detroit.

Secretary and treasurer, H. H. Hardy, secretary Fireproof Storage Co., Lansing.

Directors, Leon R. Blodgett, general manager Elston Packing & Storage Co., Grand Rapids; A. A. Boone, partner Citizens Transfer & Storage Co., Holland; E. F. Raseman, treasurer National Storage Co., Kalamazoo; H. H. Stevens, proprietor Flint Fireproof Storage Co., Flint; F. X. Zech, general manager Wolverine Storage Co., Detroit.

George L. Welt, Lansing, reporting as chairman of the legislative committee, said that nearly twenty bills having to do with motor transport regulation were introduced in the past session of the State Legislature but that all except two were killed or were lost in the shuffle, of the two enacted, one increased the gas tax to 3 cents a gallon from 2, and the other corrected the State motor vehicle law.

Carl Sheil, secretary of the Michigan

Public Utilities Commission, explained the ruling which, effective Jan. 15, requires all common carriers in the State to place all their equipment under permit.

The plan of the National Furniture Warehousemen's Association to gain control of long distance transport of household goods by truck was discussed by Arthur A. Leonard and by Henry Reimers, Chicago, the National's executive secretary.

The Michigan body adopted the one-year rule favored by the National. Hereafter Michigan companies eligible to National membership must be a member of the Michigan F.W.A. one year before their applications to the National are approved by the State organization. Three more companies were admitted to membership in the Michigan body—Flanigan Bros., Marquette; Lange Transfer & Truck Co., Muskegon, and the Twin City Storage Co., St. Joseph and Benton Harbor.

At the evening banquet the delegates were addressed by John A. Reynolds, vice-president of the Union Trust Co., Detroit, who explained in detail the functions of a trust company, and Lawrence A. Lyons, of the State's Department of Public Safety, who reviewed the laws regulating highway truck traffic.

Pacific Coast

WITH C. C. Lockett, San Francisco, regional vice-president, in the chair, the December dinner and meeting of the central division of the Pacific Coast Furniture Warehousemen's Association was held in San Francisco on the 10th. A feature was the reading by J. F. Vizzard, secretary of the California Storage & Transfer Association, of the first draft of his radio address on warehousing. (A summary of Mr. Vizzard's address is published elsewhere in this issue of *Distribution and Warehousing*.)

Following discussion of the Kansas City plan of estimating it was brought out that one of the most successful steps taken recently by the Pacific Coast organization is the establishing of a standard blank agreement, extending the transfer man's lien on household goods, when the owner presents a check, instead of cash, at the time of delivery of his goods at the new address. This line holds until the check is cashed, or "turned down" by the bank on which it is drawn. In California, household goods cannot be attached unless the transfer man has such an agreement, signed by the owner of the goods. This owner can give a worthless check, or stop payment on a good check, and unless the transfer man has the agreement mentioned he finds it almost impossible to collect, once the goods have been delivered.

One member stated that, prior to the use of this lien form, he had been given an average of four bad checks a month by owners of household goods who had moved; with the use of this agreement he had reduced the average to less than one a month.

It was suggested by another member that warehousemen should make it a point to warn every householder whose goods are being moved as to fire insurance in transit. "Such insurance can be had at no additional cost," said R. J. Bekins, "if the owner has his goods already insured, and will inform the agent of the insurance company that he is going to move them. The owner must give the agent his new address, and the agent will continue the insurance in transit, and after arrival at the new house. This, of course, is only for fire insurance, but it relieves the transfer and storage man from responsibility for damage to the goods by fire, while they are in transit, either to a new address or to or from the warehouse."

In addition it was urged that the warehousemen have their estimators present to the householder the advantages of taking out theft insurance before moving.

An interesting case coming under compensation insurance was described by Mr. Vizzard. A transfer and storage firm in southern California employed a furniture repair man, contracting with on a per-hour basis. In order to protect itself from time loss the storage firm carried this repair man to and from the various jobs. On one of these trips, in the storage company's car, the man was seriously injured. He sued the storage company, and the case was fought to the California State Supreme Court, which has just decided that the storage company is fully responsible for the man's injuries.

"The only question to be decided," said Mr. Vizzard, "was whether the repair man was an employee of the warehousing company. The Supreme Court considered that he was."

The point was brought up that if this man's payment, even though by contract and by the hour, was carried on the payroll, the storage company could claim compensation insurance for him, instead of being compelled to pay out of its own funds. The further point was developed that there was considerable difference between an individual and a firm, as contracted with by a warehousing or other company. The individual when employed, no matter in what manner must be put on the payroll, in order for the warehouseman to be in the clear with the compensation insurance company.

The Kansas City Plan

Mr. Lockett raised the point that the warehouse company, unless it did so carry this repair man on its payroll, making him subject to compensation insurance, should not have transported him to and from the jobs to which he was assigned.

Considerable objection was raised by several members to the rates given in the copies of the Kansas City plan of estimating which Mr. Lockett distributed to the members between the November and December meetings. Consensus seemed to be that these rates were too low for the costs of labor and other expenses in this part of the Pacific

Coast. The point was made that an "average" could not be reached on the cost of packing fine expensive and delicate furniture. Yet it was admitted that all standardized plans yet devised were based on averages.

Mr. Lockett read a letter from a warehouseman in Kansas City in which it was stated that adoption of the plan had eliminated price cutting. It was the opinion of some of the members that the average customer would understand the prices printed in the pamphlet better than he would prices told him by the estimator. The idea was expressed that the irresponsible transfer men would get these pamphlets, make their rates a little lower, and continue to mislead the public as to their responsibility and ability to move and store goods.

The question was raised as to whether the name of all the furniture warehousemen in the association in the city should be put on the Kansas City Plan pamphlets before distribution, or let each firm put its name on the pamphlets it distributed.

"Warehousemen do not rate as high as they should in the public mind," said Mr. Lockett, in referring to the education of the public in warehousing. "The fault for this condition belongs to the warehousemen themselves. It can be corrected only by educating the public, first, about the swindlers and the frauds in the industry, and, second, as to how the honest and reputable and responsible warehousemen operate."

On motion of Jarry Dawson, seconded by Chris Miller, the central division went on record recommending Fresno, Cal., as the place for the annual convention of the Coast association, in Feb., 1928. The convention was held there last year.

—H. H. DUNN.

Pittsburgh

THE December meeting of the Pittsburgh Furniture Storage and Mover's Association, held at the office of the Haugh & Keenah Storage & Transfer Co., on the 14th, was marked by an unusually large attendance due to the fact that a lecture was scheduled. Routine association matters consumed the remainder of the evening. James F. Keenan, president, was in the chair.

The speaker was Dr. Joseph Grondahl, vice-president of the American Educational Association. The primary object of which is to educate the American working man in the basic principles which have governed the country from its birth and thus create a new spirit of patriotism—something declared necessary to counteract Communistic labor-unrest.

Dr. Grondahl, talking on "Human Relations," outlined what he declared to be danger threatening all industry and trade, as well as the country itself, in the dissemination of propaganda. The speaker carried samples which he said showed clearly that the question was a vital one.

The assembled warehousemen were intensely interested in the talk. Arthur C. Dell, treasurer of the Haugh & Keenan company, said following the lecture:

"I was extremely surprised to find that such papers as Dr. Grondahl exhibited could be published right here in our own city of Pittsburgh, and that such ideas—which could have arisen only from torrid brains—were to be found in print here. It impressed me strongly that some movement as the speaker represents—one for the distribution of educational literature to the working classes to counteract the propaganda—should be strongly supported and furthered to make sure that the dangerous unrest which we find today in the ranks of the workingmen, and mainly under the lash of just such doctrines as these, is alleviated and blotted out by educational methods, the only effective means for such purpose."

The general opinion was that the subject should be seriously considered and supported by all warehouse and other business men over the country.

—George E. Kelly.

Eastern Indiana Omitted

In the list of the names and addresses of the presidents and secretaries of the warehouse industry's trade associations, published on pages 96 and 97 of Directory (January) issue of *Distribution and Warehousing*, the following should be inserted:

Eastern Indiana Transfer Association

Pres., William H. Knollenberg,
233 So. 7th St., Richmond.

Sec., Clem Wickett, 401 Lincoln
St., Richmond.

The information was received too late for use in the list published in the Directory.

Notes

THE Connecticut Warehousemen's Association at its December meeting, held in New Haven, unanimously adopted a resolution pledging the organization's members to register their household goods motor truck loads—beyond fifty miles—with the eastern branch, in New York City, of the inter-city removals bureau of the National Furniture Warehousemen's Association.

The Michigan Terminal Warehouse Co., Detroit, has joined the merchandise division of the American Warehousemen's Association. W. F. Evans is president and Charles B. Hull is secretary.

Parke & Son, Decatur, Ill., and the Security Warehouse Co., Minneapolis, have resigned from the National Furniture Warehousemen's Association. Neither firm now handles household goods. The Rector Moving & Storage Co., Sedalia, Mo., has resigned, having gone out of business.

The Nold Transfer & Storage Co. and the Morrison Transfer & Storage Co., both of Pasadena, Cal., and the Glendale Fireproof Storage Co., Glendale, Cal., have withdrawn from the Pacific Coast

Furniture Warehousemen's Association.

The Heisig Storage & Transfer Co., Beaumont, has been elected to membership in the Texas Warehouse & Transfermen's Association. C. T. Heisig is owner.

Brereton—Moving & Storage, Sedalia, Mo., has joined the Missouri Warehousemen's Association. F. E. Brereton is manager.

The Pennsylvania Furniture Warehousemen's Association will hold its annual meeting in Philadelphia on Feb. 14. A feature will be the taking of final action on adoption or rejection of arbitration rules as prepared in cooperation with the American Arbitration Association.

Directory Correction

THE name "Far Rockaway" was, in error, omitted from page 327 of the 1928 Warehouse Directory (January) issue of *Distribution and Warehousing*.

Due to this mistake the firm of John Winkler's Sons, Inc., of Far Rockaway, N. Y., is wrongly listed under Fairport, N. Y.

Owners of the Directory accordingly should mark in the name "Far Rockaway" preceding the listing of the Winkler company, for reference during the year.

Daniel Again Honored

C. C. Daniel, president of the Central Storage Co., Kansas City, was recently again re-elected president of the Central Industrial District Association of his home city. This is Mr. Daniel's fifth consecutive year as the organization's head.

W. P. Crooks, general manager of the Kansas City plant of the Crooks Terminal Warehouses, was elected one of the association's directors.

Twenty-five Years with Security

Four of the employees of the Security Storage Company, Washington, D. C.—Francis I. Creager, Peter Boyer, Frank Houser and Samuel E. Newgent—had been with the firm twenty-five years on Dec. 10. In commemoration of their quarter-century of service the president, Clarence A. Aspinwall, and the board of directors on that date gave a buffet luncheon at the company's offices, 1140 15th Street, N. W.

Fisher Heads Creamery

Frank A. Fisher, president of the Fisher Terminal Warehouse Co., Salt Lake City, has been elected president of the Mutual Creamery Co. He will continue with his warehouse interests.

John K. Walker, Memphis Warehouseman, Dies, Aged 74

JOHN KERR WALKER, vice-president of the O. K. Transfer & Storage Co., Memphis, Tenn., died on Dec. 13 at the Memphis home of his son, James M. Walker, president of the O. K. firm and a director of the National Furniture Warehousemen's Association. Death was due to heart affection following an illness of about six months. Until his illness he had been actively engaged in the business and was in his office daily.

Born in Brownsville, Tenn., on Dec. 19, 1853, Mr. Walker married Miss Myra Mann on Nov. 10, 1880. Mrs. Walker died four years ago. Mr. Walker is survived by two children, James A. Walker and Mrs. Frank G. Bridges, of Pine Bluff, Ark.

Mr. Walker has been identified with the O. K. firm in Memphis since moving to that city in 1915. He was vice-president also of the O. K. Storage & Transfer Co. in Louisville, Ky., and New Orleans.

Funeral services were conducted by the Rev. Dr. O. W. Bradley, of St. John's Methodist Church, of which the deceased was a member. The body was interred in Forest Hill Cemetery, Memphis, on Dec. 14.

Death Removes A. M. Smith

Arthur M. Smith, identified with the Western Warehousing Co., Chicago, and widely known in the public storage industry in the Central West, died in the Presbyterian Hospital in Chicago on Dec. 22.

After twenty years with the old Central Warehouse, of which he was the manager, Mr. Smith in 1916 assumed the management of the Ontario Warehouse. After many years with the Ontario he became associated with the Western Warehousing Co.

Claude T. Bivin Dies

Claude T. Bivin, secretary-treasurer of the Bivin Baggage & Transfer Co., Indianapolis, died at his home on Dec. 17 after an attack of cerebral hemorrhage. He was 37 years old and had been identified with the transfer company for fourteen years.

Death of James M. Luqueer

James M. Luqueer, president of the Pueblo Transfer & Storage Co., Pueblo, Colo., and one of the city's prominent business men, died suddenly on Dec. 20. He was born in New York 62 years ago and went to Pueblo in 1890.

Nickel Plate Plans to Build

The Nickel Plate Railroad has taken out a building permit for another warehouse to be erected in Cleveland in the Orange Avenue-Broadway warehouse and commission house district. The building will be of brick and concrete and cost about \$100,000.

Radio Addresses Tell of 'Frisco's Moving Business

ON behalf of the furniture transfer and warehousing business in California the radio is being used to educate the general public as to the workings of the industry. The broadcasting is being done by the Better Business Bureau of San Francisco for the California Transfer & Storage Association over KFWI, one of the State's most powerful and popular stations. First broadcast was made on Dec. 20.

The radio address was prepared by J. F. Vizzard, secretary-manager of the association, and in a logical and easily-understood way explains to the public:

First, the difference between fraudulent and honest household goods transfer men.

Second, the various methods of fraud practiced by the crooks in the business.

Third, how to distinguish the reputable and honest transfer and storage operator from the less reputable kind.

Fourth, how to arrange for moving or storage of goods.

Methods of moving furniture are explained and the improvement in these methods during the past few years is pointed out. How furniture is handled without damage and with safe conduct guaranteed to the owner of his valuables is outlined, together with the advantages of employing only those firms and individual movers which are members of local, State and National trade associations within the industry. The suggestion is made that such member companies use on their truck and van windshields small signs denoting the affiliations and that their estimators be equipped with credentials from the several associations.

The address, which is being broadcast through the courtesy of Elliott Epsteen, of the Better Business Bureau in San Francisco, has attracted wide and favorable attention from the public, the newspapers and the warehouse industry along the Pacific Coast.

In his address Mr. Vizzard estimates that in 1927 about 325 firms were licensed in San Francisco to haul pianos or household goods or both or in the general express and transfer business, operating from three to twenty trucks each, or more than 500 pieces of motor equipment in all. He continues in part:

"The Better Business Bureau has had such a number of complaints in the past from those who have suffered through other than clean competition that it has called on the legitimate firms in this line of business on whom it feels it can place reliance to do something to end if possible this poor competition, and it also feels that it is necessary through all means at its command, including the radio, to call the attention of the public to some of the complaints which it is constantly receiving, in order that the housewife who is contemplating moving may be warned against the practices complained of.

"For example. I believe the greater

number of complaints have arisen out of the fact that a greater charge has been demanded on the arrival of the household goods at their arrival at the new address and before delivery has been actually made than the owner of the goods had been led to believe they were going to cost. Investigation made by us has usually developed facts such as these; the housewife, particularly if she has never moved previously, would turn to the advertising section of the 'phone book and pick therefrom the names and phone numbers of several likely sounding concerns listed in the moving, express and storage section. She would proceed to call these various concerns on the 'phone and inquire from them the cost of handling her goods. Invariably some representative of each of these various concerns would call on her and, after looking over the goods to be handled, would let her know what they believed the cost of handling her goods would be.

"Only too often have we found at this juncture that the job would be turned over to the firm rendering her the lowest estimate—an estimate, which, by the way, was in many instances so much lower than that of the others that she should have been placed on her guard that there was something wrong.

"When the moving was about completed, and on being presented with a bill for a sum which was in many instances in excess not only of what she thought it was going to be but also much in excess of the estimate which had been rendered by the other firms and the threat made that some of her goods would be withheld, taken back and placed in storage at her cost unless the amount demanded was paid, she has sometimes complied with the request under protest and placed a stigma on all moving concerns. Or sometimes she calls on us for assistance.

"We usually find in our investigation of the case that we can do practically nothing. The contract—if it can be considered such—is entirely verbal and it is the word of one against the other. In addition it is found that the estimator neglected to mention the fact that an extra charge would be made for the delivery and use of boxes or barrels which may have been needed in packing the goods. Or that it is an invariable practice to add an extra charge for the handling of a piano or that an additional amount would be charged where flights of stairs would have to be negotiated.

"It has come to our notice that certain firms have advertised in the newspapers 'Moving done atdollars per room.' It is ridiculous to suppose that, even presuming the price quoted to be a reasonable one for moving an ordinary room, it would apply to all rooms. Some houses are furnished more elaborately than others. Some may have a library, for example, making the cost of packing, let alone hauling the books which it might contain, greater

(Concluded on page 54)

Two New Sources of Revenue for National Co., Oakland

(Concluded from page 29)

many customers wished to store some of their furniture and sell the remainder. He has the customer put a price on such household goods, under which price it is offered for sale, being well displayed, with roomy aisles, so that prospective buyers may examine it closely.

If the goods do not move at the price asked, the owner is requested to reduce it. If he does not care to do this, he is asked either to store the furniture, or remove it. If the price is reduced, the goods usually are sold.

"There is a prevalent idea," to quote Mr. Early, "that all household goods offered for sale by warehouse companies or transportation concerns are bargains, and we have a larger constant stream of prospective customers passing through what we call the 'Furniture Exchange' than many exclusive furniture stores have. We have made many sales, on which we charge a small commission, merely sufficient to pay costs of the sale, overhead, and rental for the room. We have found the venture a maker of both money and friends for the firm."

Syracuse Firm Buys Building

The Syracuse Furniture Forwarding Co., operating a household goods storage business in Syracuse, N. Y., has purchased and is occupying a seven-story building (illustrated on page 12) at State and E. Water Streets. The front of the first floor is being used as the firm's executive offices and in the rear is the parking department.

The loading and unloading platform, under cover, are on the first floor. A freight elevator is immediately at hand to carry loads to and from the rooms on the upper floors, which are at present being used for storage purposes. The arrangement of windows and aisles is such, however, that the front sections may be converted into offices for jobbers and others desiring office as well as storage space.

The building is sprinklered throughout, giving the company a low insurance rate.

The Syracuse firm will continue to specialize in household goods storage but is planning to take in some merchandise accounts on the ground floor.

Wald Company to Build

A contract has been let by the Wald Transfer & Storage Co., of Houston, Tex., for the construction of a four-story brick and concrete warehouse, at Nance and Semmes Streets, to cost approximately \$180,000.

The first unit will take in only one floor, but the foundation will be for three additional floors and, if leases can be obtained, the additional space will be erected at one time.

Morgan & Bro. Move Into New Warehouse in New York

AFTER occupying the property at 228-238 West Forty-seventh Street, New York, continuously for fifty-four years, Morgan & Brother, household goods warehousemen, have moved into their new depository at 510-520 West Twenty-first Street. The new structure is immediately adjacent to the Chelsea Piers, which extend for about five miles along the North River front and which house the largest steamships sailing to all parts of the world.

From an efficiency point of view the building is the last word in warehouse construction. Everything tending to economical handling of household goods has been anticipated. In this connection two points particularly stand out:

First, the loading platform is large enough to handle ten motor trucks at one time. This, completely housed, serves as a garage for the vehicles at night. This entire section is protected by a reinforced wall against possible spread of fire.

Second, there is parking room immediately in back of the loading and unloading platform. This arrangement takes care of all crating and packing without extra handling or the use of elevators.

In the transfer of goods from the old warehouse to the new one, 700 loads of furniture, pianos, trunks, etc., were moved. Out of the entire lot, only three trunks, each without value and with no markings, were found to be without identification. Among the customers is one who has had a ten-load storage account with the Morgan company for thirty-one years—and it is a prompt-payment account, at that!

The moving from the former plant to the new one was started on Oct. 7 and was ended on Dec. 7, and was accomplished without in any way interfering with the regular daily routine of the trucking department.

Owing to the West Twenty-first Street location, in the downtown district with its loft and office buildings, the Morgan company has provided space for office record storage of two kinds—the active and the “dead” storage of correspondence. In the “live” section the rooms are so laid out that any current office work necessary for a tenant may be carried on at the well-lighted end of the vault, which is heated and is connected up with the central telephone switchboard, thus enabling the tenant to operate a private office. In the “dead” section the vaults are rented, as are the “live” vaults, on a yearly basis. This branch of the business will be large, because of the scarcity and high cost of storage space in the downtown office and loft buildings.

The top floor of the new warehouse is devoted to “dead” storage of automobiles.

Another feature of the business of the new depository is that Arthur Morgan, the company's president, plans to make the building a headquarters for ware-

housemen visiting New York. Complete facilities will be provided for their comfort.

The Morgan warehouse was illustrated and its facilities described in the “Old Family Album” sketch of Mr. Morgan in the May, 1927, issue of *Distribution and Warehousing*.

Bailey Writes on Warehousing

L. A. Bailey, San Francisco, secretary of the California Warehousemen's Association, recently obtained favorable publicity for the warehousing industry by an article appearing under his name in *The Shipping Register*, a maritime weekly of large circulation and influence published in San Francisco.

In this article Mr. Bailey discusses public warehouses as an aid to traffic, stowage, storage and distribution of commodities. His story is told from the point of view of an industrial traffic manager.

Ingenious Proving Ground

Following the lead of automobile manufacturers who test new engine designs, new features of construction, etc., on special testing grounds, a novel proving ground for testing industrial casters and trucks has been constructed at the plant of the Service Caster & Truck Co., Albion, Mich.

This apparatus, illustrated on page 12, is capable of putting casters and trucks to the most severe performance tests with the desire to prove conclusively that under varying speeds, over rough and smooth courses, for long periods of time, Service casters and trucks of all designs and types will stand up under the hardest usage.

The circular concrete track has a break in the pavement running across it calculated, as nearly as possible, to approximate the biggest doorway, platform or floor joint that is ordinarily encountered. At the same time holes are scattered around the track into which obstructions can be driven. With all these hazards to meet, a truck or any caster-equipped portable machine will bump and jolt around considerably and the weak places can easily be detected and overcome by changes in design, material and construction of equipment.

The motive power is provided by an electric motor geared to a central mechanism which has power enough to pull the heaviest loaded truck at various speeds.

Quite often a truck is loaded to a weight greatly in excess of its estimated carrying capacity and made to travel around the concrete track for hours at a time. Any wobble of casters or any overheating of bearings is observed, diagnosed and corrected.

Shank Co. Seeks Change of Name

The Shank Furniture & Storage Co., Indianapolis, has filed with the State an application to change its name to the Shank Auction & Furniture Co.

Building Business Through Direct Mail Advertising

(Concluded from page 26)

message—one suited to their particular needs.

The eastern firms, appropriately, are canvassed from the viewpoint of establishing connections with Walkup for their warehousing and drayage in and around San Francisco.

The Pacific Coast firms, already well familiar with the Walkup concern, are merely urged to “actually try us.”

The coffee importers are informed that one of the Walkup warehouses has a full rig for cleaning, blending, and treating coffee—an installation which has more than paid for itself already.

Mr. Walkup however, knows better than to keep on using the same letter-head-form until its message grows too stale and familiar.

Two months of this letter-campaign, and then he issued 2000 copies of a well illustrated “French Fold” circular, eleven inches by fourteen-and-a-half in size when fully open. This folder re-lists Walkup advantages under the general title: “Introducing a Valuable ‘Partner’ in Your Business.”

In no better way, too, can healthy and rapid growth be indicated than by the fact that his fleet of trucks now numbers 72 instead of the former 64—an increase of 8 trucks in 80 days.

This large circular has been followed by two smaller folders—simple four page affairs 3½ by 7 inches in size. The titles are attractive: “The Pay-as-you-use Plan of Warehousing,” and “Mass Distribution—A New Way to Cut Costs.”

Mr. Walkup finds that this folder-and-letter combination, used in this way as two alternating campaigns, avoids that too-easy fault of getting into a rut, causes the recipient to really look over his advertising pieces, and “hits on all eight” in producing increased drayage and warehousing business, year in and year out.

Texas Terminal to Build

Construction of a ten-story concrete warehouse to cost approximately \$1,200,000 will be started in Houston soon by the Texas Terminal Co. The building will be located between the Missouri, Kansas & Texas and Southern Pacific tracks in what is becoming one of the great commercial centers in the city. The company is headed by J. R. Cheek and Rex R. Frazier, who have retained Moores & Dunsford of New York City as consulting engineers on the project.

Mr. Cheek has purchased as the site a lot in the block of industrial property, and the new structure, which will contain warehouse space and offices for firms using it, will have around 625,000 square feet of floor space, it is stated. The owners have secured a franchise from the city to extend a viaduct from the present North Main Street viaduct over to a story of the warehouse of the same floor level.

Colorado Warehousemen to Oppose Motor Truck Laws

THE Colorado warehousemen are preparing to contest the legality of two laws which became effective on Jan. 1. While association and non-association members were fighting the law which would prevent them from moving household goods from one city to another unless they applied for certificates of public convenience and necessity and were granted the certificates by the Public Utilities Commission, another law slipped through unnoticed until recently. This law increases the cost of truck license fees to a point that is deemed, by some truck owners, exorbitant.

The law was primarily designed to apply to bus and truck lines engaged in inter-city hauling, it is said, but as finally enacted and signed it applies to all trucks in the State except those belonging to farmers. Opponents assert that the wording of the law is somewhat ambiguous and certainly will be found so by the Courts.

Unless the measure is found unconstitutional or otherwise is voided because of technicalities, Denver warehousemen, who seldom use the State highways, will have to pay 2½ times as much for their licenses in 1928 as they have heretofore. With some who own some extraordinarily large equipment it will be about three times the 1927 rate. This is what it averages for the Weicker Transfer & Storage Co. on account of two trailers, one of which is of 20-ton capacity.

Taxation Features

The new law provides for a tax of \$25 for a 1-ton truck and \$15 additional for every additional ton of capacity of the trucks. For his 20-ton trailer Mr. Weicker must pay more than \$300, which seems to him to be exorbitant considering the fact that such a trailer is not frequently used. The 1927 regulations assessed only \$17.50 for a 2-ton truck.

As all truck owners except farmers are affected, the warehousemen will have the support of retail merchants in Denver and other parts of the State in the legal battle.

The warehousemen were unsuccessful in defeating the law which makes it illegal for a moving and storage company operating in Denver, for example, to haul a load of household goods from Denver to some other city or town in the State without first getting a permit from the Public Utilities Commission.

As interpreted, the warehouseman must apply to the Commission for a certificate of public necessity and convenience to operate his truck from one city to another. In doing this he places himself in the same category as an inter-city trucking company which must maintain definite schedules and handle merchandise and goods at a rate fixed by the Commission. Thus the warehouseman would thenceforth be forced to maintain a daily or semi-weekly sched-

ule until he obtained permission from the Commission to discontinue on the grounds that public necessity no longer required the service.

At the recent meeting of the Colorado Transfer & Warehousemen's Association it was determined that the association would financially back a test case regardless of whether the warehouseman who was hailed into court for the violation of the law was a member of the association.

Another interesting situation exists in connection with the passing of transfer trucks from Colorado into Wyoming. Colorado trucks crossing the Wyoming State line are stopped and the drivers are hailed into Court and fined as much as \$35 and then forced to take out a Wyoming license, which costs around \$30. Officers of the law are stationed close to the border line to catch the trucks as soon as they touch Wyoming territory. Wyoming trucks coming into Colorado are not molested because they have no Colorado license, although it is said that Colorado has a legal right to take action similar to that of Wyoming. In fact one report has it that the trouble started first in Colorado; that the Wyoming situation is really in retaliation for Colorado's similar action several years ago.

Some of the Denver warehousemen who have frequent occasion to send their trucks into Wyoming have taken out Wyoming licenses for the trucks in inter-state service rather than become parties to controversies with the Wyoming authorities. The trucks bear their Colorado licenses until they reach the line, when the Wyoming tags are substituted. These men feel that if it is fair that they should be taxed to maintain the highways in Colorado so they can use them, it is equally fair that they help support the Wyoming highways which they frequently desire to use.

Owen District Sales Manager

LeRoy D. Owen, vice-president and general manager of Westland Warehouses, Inc., Los Angeles, has been appointed sales manager of the city's Central Manufacturing District. He will continue his position with the Westland interests.

Mr. Owen has announced the appointment of C. O. Simpson as manager of the warehouse company. Mr. Simpson has for five years been superintendent of port and railroads for the Punta Alegre Sugar Company of Cuba.

Sprinkler Saves Warehouse

The value of a sprinkler system in a storage building was emphasized when on Dec. 28 fire in the Ninth Street Public Warehouse, Louisville, Ky., was extinguished when the system operated automatically. Damage caused by fire and water was estimated at only \$500. The flames started apparently in some bed clothing stored on the second floor and were out when the firemen arrived.

Radio Addresses Tell of 'Frisco's Moving Business

(Concluded from page 52)

than that of handling a number of ordinary rooms which are on the ground floor of a building will cost as much to handle as do those which are on other floors. Further, that any firm will move or can move you five miles for the same cost as it would or could move you one mile."

Mr. Vizzard's address sets down other examples of how the public is "hooked" by unfair competition, and gives constructive advice to the housewife as to how to proceed. He announces that the San Francisco Better Business Bureau has at the suggestion of the reputable transfer and storage firms, created what is known as the Mover's Service Bureau. He concludes:

How Bureau Operates

"This Bureau will have as members only those concerns in the moving, transfer or storage business whose honesty and integrity is without question. All such firms do and will carry the proper insurance while they are members of the Bureau. The Bureau will not only recommend but will also guarantee them to the public for fair dealing of all kinds whether it is in the charges for their services or settlement of claims or disputes which may arise out of loss or damage to the goods moved or to property at either address, such as walls, fixtures, etc.

"The Better Business Bureau welcomes this as a step in the right direction, feeling that it will do away with a number of complaints. It therefore recommends that the public patronize only the members of this Bureau. We have suggested that they use the name Mover's Service Bureau on the windshields of all their equipment and that each driver of a piece of their equipment be furnished with an identification card. For your own good, look or ask for this identification. It will guarantee you that your priceless possessions will be properly cared for and that you will be honestly treated."

Free Zone Held Impossible

Opinion that it is not possible for Boston or any other port to establish a "free port" is expressed in a report filed with the Massachusetts Legislature by the State Department of Public Works.

The report points out that there is no Federal law under which the General Court of Massachusetts might authorize a free port in Boston. State officials went into the matter very thoroughly because the Legislature directed them to see if it were possible to get a free port started in Boston.

The report as now filed with the Legislature apparently sounds the death knell of further agitation unless the Massachusetts Congressional Representatives get some form of Federal approval.

... goods, better maintenance, ... as a whole, as it ...

... as there is a particular ...

Old Family Album Unfolds Career of J. B. Baillargeon

(Concluded from page 33)

then. "And," he adds, "put your profits back into the business."

To this policy of "putting the profits back into the business" Mr. Baillargeon apparently owes a great measure of his phenomenal rise to prosperity. In 1900 the population of Montreal was 300,000. Now the figures have passed the 1,058,000 mark—and the express company has kept pace with the growth of the town.

Moving from the modest frame structure where the venture was cautiously launched nearly thirty years ago, it acquired its present site which comprises a plot of three acres on Ontario Street. The company operates altogether five buildings, the main office being located in an eight-story fireproof and frost-proof structure which is part of the Ontario Street property. This building provides 2,500,000 cubic feet for the storing of furniture, furs, tapestries, rugs, pianos; while another structure, downtown, has 1,000,000 cubic feet of floor space for merchandise only. This is near the wharfs.

The main building boasts a large auction room where furniture and art collections frequently are sold. Here, too, in a luxurious office overlooking the park across the way, may be found the man who has built up this substantial business in such a surprisingly brief period of time. He is a youngish-looking individual, robust, rotund. From a huge mahogany desk whose corners are upheld by slender bronze figurines he fairly radiates a sense of well being and a keen appreciation of the joy of being alive—a joy that some are willing to concede is greater in Montreal these days than in the land of the free lying somewhat to the South. (Thirsty American warehousemen still speak enviously of a contraption in the Baillargeon Building where beer, ale and other long forgotten liquids may be served by the simple operation of tapping a faucet!)

During the great war when the rail transportation lines were so congested that the carriers could not undertake to deliver freight at any fixed date, the Baillargeon company established services on the highways between Montreal and New York and between New York and Boston. The firm assured also the movements of merchandise and household goods between the Canadian metropolis and Quebec, Toronto and other important cities in the Dominion, and this service has been maintained ever since.

And the profits still are going back into the business, as witness the side lines into which it is directed by the keen mind that directs the helm.

One may—as the Sun Life Insurance Co. once did—call upon the Baillargeon firm to deliver a boiler weighing 45 tons.

Or one may order a "Queen Victoria Sleigh" for an evening's joy ride out over the snowy hills into the pine woods.

This latter vehicle arrives at the door with much éclat. There are six spanking white horses proudly jangling as many sets of silvery bells, and a punctilious but capable coachman is mounted high in front. Such a sleigh seats fifty persons bundled in furs and sweaters against the Canadian winter.

The company can supply also when need be a car body that can be lifted from the chassis of an automobile and fixed to a railway flat car. This for consolidated or pool car shipments.

Ten years ago the company had 400 horses. Now that they engage in long distance hauling they use largely motor trucks, which brings to the fore one of the most unique advertising schemes in the warehousing industry. These trucks are seen constantly on the streets of Montreal and its environs as well as on the roads leading to Quebec, Toronto, Boston, and New York. Mr. Baillargeon hit upon a plan for using the trucks' sides as animated billboards. So it happens that the colored lady on the pancake flour and the cup of coffee that is "good to the last drop" move about proclaiming their excellence instead of reposing placidly on the corner of a vacant lot. The company had fifty-four large trucks and twenty small ones. Each truck carries five advertisements on either side. For these there is a charge of 25 cents a day, or the space on a truck may be leased for \$2.50 a day on a yearly contract. The idea returned a dividend of \$30,000 the first year it was in operation—a net profit of \$27,000 after deducting the salary of the one solicitor who handles the entire enterprise. This despite the fact that Canadian business men do not share the advertising proclivities of their cousins to the south. In New York, Mr. Baillargeon declares, he would charge \$1 apiece for advertising privileges on account of the greater population and the American inclination to spend money for advertising.

Doubtless he would get it, too. One might expect almost anything of a man who would venture, without money, to found a new fortune, a new commercial enterprise in a city where the picturesque of the French voyageurs and the stateliness of English tradition long have been the dominant factors.

Keep Up With the Times

The warehouseman whose business progresses is the one who studies his competitors' problems as well as his own.

The study is beneficial to all when warehousemen assemble in convention.

Read—in this February issue and the March number to come—the stories of what took place at the French Lick meeting of the American Warehousemen's Association and the Hollywood meeting of the National Furniture Warehousemen's Association.

Keep up with the times.

Business Journal Editors

Expect Intensive Selling

INTENSIVE selling and pressure to lower production costs characterized business for 1927, and 1928 will develop along the same lines, according to the consensus of 100 editors of trade, industrial and professional journals in answer to a questionnaire set to them by the National Conference of Business Paper Editors and the Associated Business Papers, of which *Distribution and Warehousing* is a member.

"Business is sound," reads the summary based on the replies to the questionnaire. "There are no indications of a slump, but rather definite indications of increase in several lines. No excess inventories are reported either in wholesale or retail, except in a few specialties where the market has been over-estimated. Farm buying power will be larger in 1928."

"Indexes of trade which measure week to week activities, such as electric power used, output of pig iron and steel ingots, building construction, freight loadings, are slightly over or slightly under those of 1926. Power used in 1927 increased 7 per cent over the previous year. Pig iron totaled 36,300,000 tons, putting 1927 in eighth place among big years. Steel ingot output was about 8 per cent less for 1927 than in 1926, making 1927 fifth among years of largest output. Total construction was down, but up 2½ per cent in industrial building and 11 per cent in heavy construction."

"Editors of papers report increased pressure to reduce production and selling costs, higher specialization in machinery, wide-spread replacement of obsolete and inefficient machinery, aggressive market finding, reduction in size and intensive development of jobbing areas. There is likewise a genuine desire to keep wages at their present level in all the basic industries, and manufacturers and merchants are seeking to continue with narrow profit margins without reducing wages or raising prices. Some trades show softening in prices, but most trends indicate price of 1928 about the same as 1927. Volume of railroad freight declined, especially in the latter part of 1927, but in common with other trades there is expectation of an increase in freight during 1928. Gross revenue of bus lines was 25 per cent higher in 1927 than in 1926 and total pay rolls were up 30 per cent. Volume of water borne freight was slightly greater in 1927 than in 1926, and tonnage rates held steady."

"General construction is reported lower due to reduction of residential building, with industrial construction and certain classes of public works building very much increased. Heavy construction is 11 per cent higher, industrial construction is 2½ per cent higher, electric light and power plant construction about 5 per cent over 1926, with an estimated additional 5 per cent increase in 1928. It is expected that some \$940,000,000 will be invested in construction and equipment in the electric light and power in-

(Concluded on page 56)

Life of C. C. Stetson Is Told in Old Family Album Sketch

(Concluded from page 32)

proof structure if Mr. Stetson would operate it. The proposed plant was some half a mile up the street, but he consented, and for some years acted in this double capacity.

After a time Mr. Stetson sold his interest and good-will in the first business at a fair profit to the Security Warehouse Co., and coincidentally the Boston concern decided to save expenses by dispensing with a manager. Thus, after having long had two jobs to take care of, Mr. Stetson found himself with none.

It happened, however, that the only good furniture storage warehouse in St. Paul at that time had recently burned. There was a large former office building vacant, and on this the young man secured a ten-year lease.

So far so good, but there still were many hardships to overcome. It was the dead of winter, and people in Minnesota's cities do not move much at that time of the year because of the intense cold. Mr. Stetson furnished himself a room in his improvised warehouse, and there he lived for the first year, frequently going home to Minneapolis by train on a Saturday night. During his first six months as an independent warehouseman he learned about all there was to know of credit and installment plans, but the end of that period found his venture on a self-sustaining basis. It has been that ever since.

Having made what is believed to be a record by putting his first venture on a paying basis in six months, Mr. Stetson then took a two-year lease on an entire floor of a new concrete cold storage warehouse being built by the Booth Cold Storage Co.—this to take care of a few particular customers who insisted on protection from fire for their goods. A short time later he was offered a lease on the present fireproof warehouse with direct railway trackage. This has 43,000 square feet of storage space and is ideally situated to handle pool-car shipments. Two other buildings operated by Mr. Stetson's concern, the Fidelity Storage & Transfer Co., are devoted to the storing of merchandise, and still another is being planned for erection in the very near future.

The new structure, which will be five stories high and strong enough for more, will be built on Selby Avenue at Fisk Street. The corner now is occupied by a gas filling station, and the warehouse will be put up around this. The building will contain 400,000 square feet of floor space, and it is expected that it will be completed this year.

In his business Mr. Stetson still puts to use many of the old axioms brought along from Sunday School days, and, like the Boy Scouts, he tries to "do a good turn" wherever opportunity offers. Most of the firm's new business now comes from friends and former customers. Mr. Stetson believes in making a warehouse receipt an actual receipt, stat-

ing that the company does undertake to care for the goods intrusted to it—instead of making the document a list of risks and responsibilities denied. He also professes pity for the man who works only for the compensation obtained while missing the joy of the work. The warehouse business presents many opportunities to befriend people, he insists, and many of his customers express thanks and gratitude for helpful suggestions made when orders are given.

The company has always been run on the Boston plan in so far as trucking arrangements were concerned. One year it tried to operate its own equipment, but went back to the idea of farming out trucking. At that time it bought and leased at \$1 a year six horse-drawn vans to the same number of moving firms. This proved to be good advertising and also was found to take care of the hauling very nicely. Mr. Stetson declares that moving and storage are two distinctly separate businesses, and, excepting as hauling has to be done incidentally, he prefers to escape it altogether.

In this connection he was once obliged to settle a claim for \$1,900 for the wreckage of a sleighload of household goods bearing his firm's name which, while stuck on a crossing, was run into by a train. Later the owner of the transfer line reimbursed him.

Experiences along the way in Mr. Stetson's career have not all been of such a somber nature. On one occasion he arranged to store for ten days between engagements a cage of performing lions, not realizing that the bargain included allowing the keeper's wife to come to the warehouse every day in tights and put the beasts through their paces. He had grown more canny by the time he was asked to store a carload of live hogs for a rest of several days en route to the Chicago stockyards. This consignment was declined with thanks.

Mr. Stetson believes in "helping the other fellow" through association work. He was one of the organizers of the Minnesota Warehousemen's Association and the former Central Warehousemen's Club, as well as one of the early members of the National Furniture Warehousemen's Association.

The 1928 Directory —Consult It!

The January issue of *Distribution and Warehousing* was not a monthly number alone.

It was—and is—a year-'round reference volume, because—

It lists the reputable warehouses of the United States and Canada and gives information as to the facilities and services of those firms.

It is a book invaluable to distributors and warehousemen who have shipments to send.

Consult the 1928 Directory when making shipments!

Business Journal Editors Expect Intensive Selling

(Continued from page 55)

dustry in 1928. During 1927 a million dollars a day was spent for new hospital buildings, and the rate for next year will be higher.

In the automotive industry, expenditures for new plants were larger in 1927 than in 1926 due especially to one or two very large construction enterprises and the remodeling of the Ford plant. New construction in the textile field increased, with an accompanying fact that many obsolete plants were modernized or dismantled. Rehabilitation of private power plants continued through 1927 and promises to be still more active in 1928.

"High specialization in machinery to reduce production costs marked several basic industries. In the cotton and rayon division of the textile industries plants have been brought up to very high efficiency. Steel mills averaged 75 per cent of capacity in 1927 against 83 per cent in 1926; pig iron capacity, 73 per cent in 1927 against 80 per cent in 1926. In metal-working lines the average of working operations was about 15 per cent less than in 1926. Nineteen twenty-eight is expected to equal 1927. Railway equipment was used to greater efficiency in 1927. In the furniture trades there was about 90 per cent use of equipment.

Payrolls Generally Smaller

"The total pay rolls in practically all industries commented upon by these editors were less in 1927 than in 1926. The notable exceptions were in the field of transportation. Railroad payrolls were advanced about \$60,000,000 and those of the companies operating bus lines increased 30 per cent. Although there was a general shrinkage in aggregate pay rolls, the hourly rate for workers changed little and there are no important indications of downward wage revisions during the coming year.

"Prices throughout 1927 are reported as slightly lower and margin of profit less, but the outlook for 1928 is generally considered favorable, with some slight price increases. Pig iron prices during 1927 averaged 10 per cent less than in 1926 and steel prices were 4 or 5 per cent less. The profits of steel companies for the first nine months were from 15 to 20 per cent less than for the same period in 1926.

"In general, the close of 1927 finds the industries of the United States with stocks which deviate little from the volume at the close of 1926, reflecting continued hand-to-mouth buying. In the oil fields the total stocks of crude and refined products increased about 12 per cent during this year. In the paint industry they are generally considered low. Wholesale and retail stocks of boots and shoes are estimated to be heavier than a year ago. Retail merchants bought more freely than usual, but moved their merchandise very satisfactorily.



**One of our recently completed
Furniture Warehouses**

We charge no fee for consultation and advice

MOORES & DUNFORD, Inc.
110 East 42nd Street New York City



WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

ANNOUNCING

An Increase in the Subscription Price of *Distribution and Warehousing*

THE MONTHLY

Effective with our February, 1928, issue, the yearly subscription rate of *Distribution and Warehousing* becomes \$3.00. (Canada, \$3.50. Foreign, \$4.00)

The advance from the former yearly price, \$2.00, is made necessary by increased publication costs.

THE DIRECTORY

The Annual Directory (January) Issue will go to all regular subscribers and advertisers, of course, as part of each yearly subscription.

But—

Single copies of the Directory Issue will hereafter cost \$5.00 each, beginning with the 1929 Directory.

Regular subscribers and advertisers, however, may purchase extra copies of the Directory Issue at \$2.00 each.

Twin City Shippers See \$4,000,000 Saving by Barge

SHIPPERS in Minneapolis and St. Paul will save nearly \$4,000,000 annually in freight rates in an estimated potential movement of 2,052,870 tons of merchandise by water as soon as the upper Mississippi barge service is able to handle the tonnage, it has been determined by the Minneapolis Traffic Association in a survey covering the two cities.

The study was made to compile statistics for presentation to Congressional committees conducting hearings on proposed appropriations for additional barge-line facilities. Estimates were based on total all-rail shipments to and from the Twin Cities in 1925 and 1926, combined with a comprehensive survey of industries and shippers.

Potential tonnage by river northbound

to the Twin Cities was estimated at 1,261,200 tons, with a saving over all-rail rates of \$1,304,372. Southbound movement was fixed at 791,670 tons, with a saving of \$2,650,187 in freight charges. The greater saving in outbound freight was explained as due to the difference in rail rates for the type of commodities available for shipment.

"In making these estimates, we have assumed facilities of the barge line, including the barges, towboats, terminals, etc., will be adequate to afford regular and dependable service," the report states. "These estimates are based on the tonnage moving to and from the Twin Cities only, and do not give consideration to the possible movements of traffic to and from points beyond the Twin Cities, which afford a large additional tonnage if favorable joint rail and barge rates are established.

"The estimate assumes the barges could be operated for eight months of

the year, although the operating season will vary with weather conditions."

A total of 306,604 carloads of freight was received and 281,708 carloads forwarded by rail in Minneapolis in 1926, the report added, with a total of 1,088,469 carloads received and forwarded in the Twin Cities during the period. The report was prepared by F. B. Townsend and H. Mueller.

Boston Rates Controversy

Commissioner William F. Williams, head of the Department of Public Works of Massachusetts, which controls the waterways and public lands, had under consideration in January a controversy over lumber wharfage charges at privately and publicly owned terminals in the Bay State.

At a hearing held some weeks ago the problem was threshed out when H. H. Wiggin, president of Wiggin Terminals, Inc., Boston, sought authority to increase his rates by adding a charge of 50 cents per 1,000 board feet on lumber passing through the Boston dock terminals for rail delivery. He explained that his investment of \$3,000,000 meant \$95,000 in taxes and that his total overhead reached more than \$200,000 a year. He contrasted that with the Commonwealth Pier and the Army Base, controlled by the State and Federal Governments respectively, as competitors who could operate at a loss. He said the Commonwealth Pier, costing the State \$9,500,000, lost \$22,000 in 1926, and the Army Base, a \$15,000,000 investment, had not made a cent in the past four years.

Joseph G. Bryer, of the Lumber Credit & Research Bureau, Inc., and Jeremiah F. Downey of the same company, and others opposed the contention of the Wiggin Terminals, claiming it would be the entering wedge to fix charges on all the 837 commodities entering the port of Boston without charge.

J. W. Powell, chairman of the Maritime Association of the Boston Chamber of Commerce, took a neutral stand and suggested that the State Pier should get more revenue if it were possible without handicapping the interests of the port.

Leland Powers, counsel for the Wiggin Terminals, in his argument pointed out that the piers conducted by the State and Federal Governments in Boston were being run at a loss. He secured from Commissioner Williams the opinion that the annual loss on the State Pier, computed on a regular business basis, was \$250,000. He claimed that charges were now imposed by the State for the handling of lumber at the pier through lighters and trucks. He felt that it was grossly unfair for the State to keep in effect a system which was a handicap on privately-owned enterprises such as the other terminal companies. He argued that if this charge were imposed it would have no detrimental effect on the business of the port.



Again, Meriwether Endorses International!

A year ago the Meriwether Warehouse & Storage Company, Shreveport, La., advertised the exceptional service rendered by the four "Sudden" Internationals then operated by the company. Now, with *eleven* of these good trucks in their service, Meriwether writes as follows:

"We wish to thank you for the splendid co-operation and service of the International Harvester Company of America to our Company since the purchase of our first truck from your Company one year ago the 15th day of September.

"During the past year, as you know, we have added to our fleet of trucks until at the present time we are operating eleven International Har-

vester Trucks of all sizes. This, we think, speaks for service and economy in transportation, for they have shown, in profits returned to our Company, enough to enable us throughout the year to continually add to our fleet.

"We write you this letter as we feel that your Company and your trucks deserve the best of recommendations from one of the largest users in our city.

"It will always be a pleasure for our Company to recommend the quality and service of your merchandise as the above will bear out."

Let us send you complete information concerning the complete line of International Trucks; you'll find the best of reasons for the satisfaction attending International ownership.

INTERNATIONAL HARVESTER COMPANY of America

(INCORPORATED)

606 SO. MICHIGAN AVE.,

CHICAGO, ILL.



Look-What-a-Load!

*An Interesting Picture With a
Powerful Argument*

"SUDDEN SAMPSON" as pictured above with a 12-ton load of pipe, belonging to the Republic Supply Co., is only one of our International Fleet that is constantly at your service to solve your heavy hauling problems.

"SUDDEN SUSIE" is another member of our Sudden Service Fleet. She is a model SL International Moving Van with a big, roomy, safe body. The ideal truck for moving.

"SUDDEN SALLY" is a model S International. Our speedy 1½-ton truck for light, speedy, clean-cut hauling jobs.

*Storage—Packing—Moving
Local and Long Distance Hauling*

MERIWETHER
Warehouse & Storage Company

(Bonded Warehouse)

"ANOTHER SUDDEN SERVICE"

C. S. Smith, Manager

1533-35 Texas Avenue

Phone 4732

ABOVE: A reduction of the transportation advertisement featured by Meriwether less than a year ago. Note the frequent reference to the special qualifications of the various International models.

Further 1928 Forecasts By Association Executives

SUPPLEMENTING the 1928 business forecasts prepared by the presidents of the warehouse industry's various trade associations, and published in the January issue of *Distribution and Warehousing*, opinions written by three more executives were received too late for publication in the January number. They came from Charles E. Blaine, secretary of the Arizona Transfermen's Association, who wrote on behalf of the organization's president, O. B. Sutton, Phoenix, who has been ill; H. J. Crandall, president of the Central Warehousemen's Association of Illinois, and Leon S. Rose, president of the Memphis (Tenn.) Warehousemen's Association.

Mr. Blaine, pointing out that copper mining, live stock and agriculture are Arizona's chief industries, states:

"Notwithstanding that the price of copper is on the pre-war basis, the cost of materials, supplies and labor are considerably in excess of the pre-war cost. Substantially all of our large mines and smelters are operating continuously at approximately 80 per cent of their capacity. We have every reason to believe that they will continue operation during 1928.

"Following the depreciation in live stock prices in 1921 many of the live stock men went bankrupt. In liquidating the indebtedness our herds were depleted. However, while the number of live stock on the ranges in the State at this time is considerably under normal, it is the consensus of opinion that the industry as a whole in the State is improving.

"The crops at this time in the State are in good condition. There is no overproduction. Those marketed are commanding fair prices. Diversification is proving beneficial in our agricultural industries. However, until the immigration question is satisfactorily disposed of, the industry cannot hope to make much progress. About all it can do will be to maintain the *status quo*."

Mr. Crandall, who is president of the Crandall Transfer & Warehouse Co., Moline, Ill., states that according to reports from nine cities fairly well distributed over the State, 1927 was "not up to the standard among warehousemen and distributors and those engaged in general transfer business," and that the warehousemen were "not overly optimistic over the outlook for the next several months." He continues:

"Scattered here and there throughout the State will be found cities wherein business to date averages pretty well up to that of 1926. The feeling seems to prevail that in 1928 warehousemen expect to be very conservative in incurring any additional operating expenses, with an ambition further to reduce overhead expenses where possible.

"In the more intensive grain section of the State the feeling seems to prevail that the agricultural industry in 1928 will improve, to the resulting benefit of business in general."

Mr. Rose, who is secretary of the Rose Warehouse Co., Memphis, comments that on account of the Mississippi flood, business slowed up considerably in 1927 and the warehouse business itself in the valley was not "as good as was expected." He goes on:

"The year 1928, however, I believe will see the pendulum swing in the other direction and business will be greatly stimulated in the early months, and this should continue throughout the year if the Government takes a definite position on flood control.

"I am of the opinion that the automobile industry also has been a great influence on business conditions in this section, and, as this business seems to be very optimistic for the new year, it should reflect on all lines of business."

New Plant in Grand Rapids

The Star Transfer Line, operating merchandise warehousing in Grand Rapids, Mich., has completed and is occupying the first all-concrete building to be erected in the city. It is a two-story structure with frontages of 150 feet along Ellsworth Avenue and 110 feet along Cherry Street, and its foundations are built to provide for construction of three more stories when expansion warrants.

The structure is equipped with inside loading docks, outside loading and parking space for trucks and elevators, and there are offices for merchandise brokers and others desiring such space. The location is within two blocks of seven of the city's largest freight stations.

Money Asked for Barge Warehouses

Appropriation of \$40,000,000 to the Inland Waterways Corporation for the construction and operation of warehouses and agricultural elevators on the Mississippi River is proposed in a bill which Representative Letts of Iowa introduced in the House recently.

The costs of the warehouses and elevators would be paid back to the Treasury by revenues from their operations.

The bill sets forth that the plan would benefit the farmers in the storage and shipment of their products.

Chicago Warehouse Map

A map of the city of Chicago—a document 40 by 49 inches in size—has been issued by the Illinois Furniture Warehousemen's Association, which has distributed copies to all members of the National Furniture Warehousemen's Association.

To the consignors of household goods shipments to Chicago this map serves an important purpose. Street and street numbers are clearly indexed, and superimposed on the map are small circles each of which represents the location of a member company of the Illinois association, and the list of the companies, with corresponding numbers, are shown at the side.

New Rug Beating Machine Affords Triple Cleaning

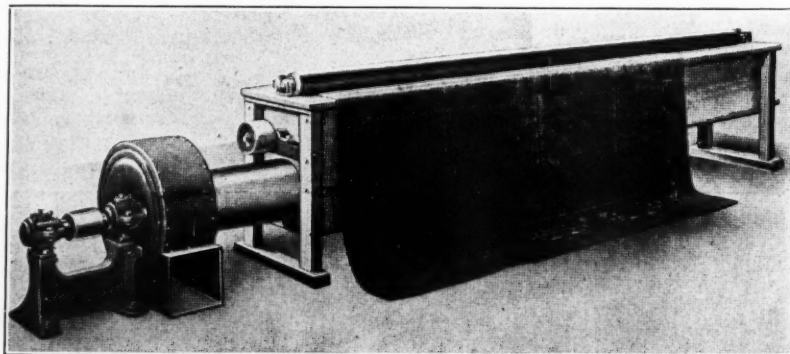
A NEW machine for beating rugs and carpets, and adaptable to household goods warehousing, has been placed on the market by Nusly Bros., Inc., Canton, Ohio. It is called the "Better Beater."

The accompanying illustration indicates the method. As the rug or carpet is fed under the top roll, which rests on a concave arc on the table, the nap is spread apart. This feature, combined with effective beating and powerful suction, affords a triple cleaning action.

The rugs may be entered from either side of the machine, as the feeding process is reversible or continuous. Adjustment can be made for rugs of any thickness. The machine will accommodate floor coverings 24 feet wide when folded, and of any length. The table is so constructed that the machine lifts off, thus affording easy accessibility when changing straps. Specifications of the "Better Beater" are as follows:

Floor space, over entire length, 17½ feet. Height, to top of feed roll, 3 feet. Width, 2 feet. Beating space, 12 feet 1 inch. Beater roll speed, 850 r.p.m. Rug travels 5 inches a minute. Fan speed, 1,200 r.p.m. Weight, 1,000 pounds.

The machine is shipped entirely assembled, belt drive, ready for immediate service. Five h.p. is required for power.



The "Better Beater" for cleaning rugs and carpets—recently placed on the market by Nusly Bros.

SPEED



FASTER! . . . More speed! . . . It is the demand of business. And transportation, vital agent of business, gears up in response.

Graham Brothers Trucks and Commercial Cars provide business with the desired speed—and more. They link up inseparably with speed two other factors necessary to give speed its maximum commercial

value—safety and economy. Their power—source of speed—is furnished by Dodge Brothers dependable engines, 4 and 6 cylinder. And each type of truck is so designed and built that the abundant power is converted into smooth, usable speed—the speed that

means more trips per day, more money earned. Careful, exacting men from all walks of business are buying 60,000 Graham Brothers Trucks and Commercial Cars a year.

2-TON \$1595
6-cylinder engine, 4-speed
transmission, 4-wheel
brakes (Lockheed Hy-
draulic)
1½-TON \$1245
4-cylinder engine, 4-speed
transmission, 4-wheel
brakes (Lockheed Hy-
draulic)

1-TON (G-BOY) - \$895
¾-TON
COMMERCIAL - \$670
Chassis Prices f.o.b. Detroit

½-TON Panel
DELIVERY CAR \$770
(Complete with body
f. o. b. Detroit)

GRAHAM BROTHERS TRUCKS

Sold and Serviced by
Dodge Brothers
Dealers Everywhere

Built by
Truck Division of
Dodge Brothers, Inc.

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

Construction, Removals, Purchases and Changes

Arkansas

ARKADELPHIA—Arkadelphia Warehouse Co. plans to rebuild its storage building recently wrecked by fire with an estimated loss of \$175,000.

Texarkana—Hunter Transfer Co. has opened a new warehouse, of mill construction and fully sprinklered.

California

Fresno—Pacific Fruit Express Co. has plans for a \$1,000,000 project to include a cold storage warehouse and pre-cooling and ice plant, 165 by 440 feet, and a car-icing platform 3300 feet long.

Hollister—National Ice & Cold Storage Co. has plans for an \$80,000 cold storage warehouse and ice plant.

Richmond—Luchenbach Steamship Co. is said to be planning construction of a shipping terminal, including warehouses and wharves.

Santa Barbara—Bakersfield & Los Angeles Fast Freight, Inc., has plans for a \$65,000 1-story storage and terminal building at Laguna and De La Guerra Streets.

Florida

Sanford—Florida Cold Storage Co., recently formed with a capital of \$1,250,000, is planning a \$350,000 cold storage warehouse in Sanford, with a similar project in Orlando.

Georgia

Atlanta—Monroe Bonded Warehouses have removed their offices to 150-160 Peters Street from 1000-10 Marietta Street.

Illinois

Chicago—Chicago & Eastern Illinois Railway Co. will build a \$100,000 1-story warehouse and freight building, 40 by 600 feet, at 1401-1459 So. Dearborn Street.

Chicago—Freer Motor Transfer Co. is the new name of F. E. Freer & Son Motor Transfer, Inc. The capital has been increased to \$25,000 from \$2,000.

Louisiana

Gibbsland—Gibbsland Ice & Cold Storage Co. has filed plans for a 1-story cold storage warehouse, 40 by 65 feet.

Lake Charles—Lake Charles Harbor & Terminal District has plans for three 1-story warehouses on the municipal wharf, the project to cost \$150,000.

Maryland

Baltimore—C. Hoffberger & Co., operating cold storage and ice plants, has completed plans for an \$850,000 11-story cold storage warehouse.

Massachusetts

Boston—Boston Storage Warehouse Co. has leased to the Knighthood Shoppe a store and basement at Huntington Avenue and Forsyth Street.

Somerville—Boston & Maine Railroad

has plans for a \$70,000 1-story warehouse, 150 by 540 feet, on Middlesex Avenue.

Michigan

Detroit—Grand Trunk Railway Terminal & Cold Storage Co. has begun erection of a \$4,000,000 9-story warehouse at Ferry Street and the Grand Trunk yards. It will contain 525,000 square feet of floor space and will be divided about equally into cold and dry storage departments.

Grand Haven—Vyn Bros. Storage & Transport Co. has purchased the Motor Transit Co., Muskegon, including the latter firm's permits to operate trucks between Muskegon and Grand Haven and between Grand Haven and Grand Rapids.

Grand Rapids—Consumers' Ice Co. has filed plans for a \$50,000 1-story and 2-story cold storage warehouse and ice plant, 68 by 130 feet.

Holland—Citizens Transfer & Storage Co. has opened a new fireproof warehouse for storage of household goods.

Mississippi

Jackson—Ricks Storage & Distributing Co. has filed plans for an \$18,000 1-story warehouse.

Missouri

St. Louis—National Moving & Storage Co. has preliminary plans for a \$75,000 4-story warehouse at 3660 Gravois Avenue.

Nebraska

Hastings—Union Pacific Railroad Co. will erect a \$75,000 warehouse and freight station.

New Jersey

Newark—United States Trucking Corp., a subsidiary of the United States Distributing Corp., New York, has acquired the property and business of the Lawshe Trucking Co., 283 E. Kinney Street, Newark, and plans expansion in facilities, including additional motor trucks.

Rutherford—William McCullough Trucking Co., East Rutherford, has purchased the site formerly occupied by the Brander Rubber & Tire Co., at Paterson and Currie Avenues, Rutherford, and is planning to erect a warehouse.

Trenton—Pennsylvania Railroad Co. is considering erection of an \$800,000 warehouse and freight station.

New York

New York City—Alanda Realty Co. has plans for a \$130,000 7-story warehouse, 50 by 110 feet, at Third Avenue and 134th Street, said to have been leased by a public warehouse company.

New York City—Ames Transfer Co. will build a \$100,000 2-story service and garage building at Kingsbridge Avenue and 236th Street for motor truck service.

New York City—Richter Trucking Co. has leased, and will occupy as a warehouse, the 6-story building, 50 by 100 feet, at 435-437 W. Nineteenth Street.

(Continued on page 64)

New Incorporations Within the Industry

Arkansas

NORTH LITTLE ROCK—Consumers' Ice Co.—Cold storage warehousing and ice plant. Capital, \$200,000. Incorporators, Robert E. Lee, W. J. Ayers and George H. Kendrick.

California

Los Angeles—Washington Transfer & Storage Co. Organized by Carl G. Lind.

Delaware

Wilmington—Crane Hooker Storage Co. Storage warehousing. Capital, \$500,000.

Florida

Miami—General Warehousing Corp. To deal in renting and building warehouses. Capital, 100 shares, no par value. Board of directors, Albert Weber, P. R. G. Sjostrom, O. T. Houston and H. K. Gibson.

Miami Beach—Washington Storage Co., Inc. Storage warehouse business. Capital, 10 shares, no par value. Board of directors, E. N. Mathews, L. F. Snedigar and J. F. Mathews.

St. Petersburg—St. Petersburg Cold Storage Co. Cold storage warehousing. Capital not stated. Incorporators, S. E. Harris and C. M. Bagby.

Kentucky

Ashland—Ashland Ice Co. Cold storage warehousing and ice. Capital, \$30,000. Incorporators, H. B. Dugan, N. G. Calvert and A. N. Richardson.

Flemingsburg—Growers' Warehouse Co. Capitalization, \$20,000. Incorporators, Mark Hendrix, R. L. Dudley and J. H. Sousley.

Paducah—Central Warehouse Co. Capitalization, \$15,000. Incorporators, J. A. Dasset, George Landstaff and Luke Russell.

Massachusetts

Holyoke—Kennedy Transfer Co. Transfer and express. Patrick J. Kennedy heads the firm.

New Jersey

Guttenberg—Standard Furniture Storage & Warehouse Co. Incorporators, Mrs. Theresa Murphy, West New York, N. J.

New York

Brooklyn—Bensonhurst Van Co. Warehousing and moving. Capital, \$1,000. Incorporators include J. L. Carver.

Brooklyn—Richter Warehouses, Inc. Storage warehouse, transfer, moving, etc. Capital, \$10,000.

New York City—Fordham Storage Warehouse, Inc. Storage warehousing. Capital, \$20,000. Principal incorporator, W. C. Allen.

New York City—Hahn Brothers, Inc. Operates Hahn Brothers' Fireproof

(Continued on page 64)



The Moving Van De Luxe

The SCHACHT "Highway Express"

The Schacht "Highway Express" has been specially developed to meet the exacting requirements of the moving and warehousing industry in carrying capacity, load distribution, power, speed, stamina, and economy. Its 6-cylinder engine and exclusive "Ten Speed" transmission afford a smooth,

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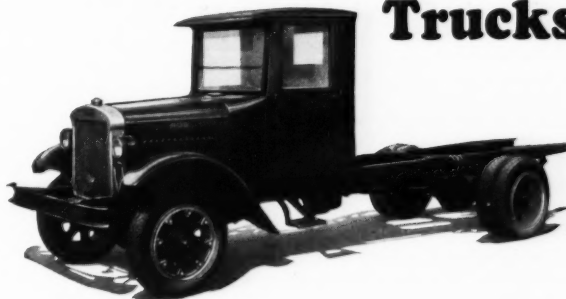
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Construction, Removals, Purchases and Changes

(Concluded from page 62)

North Carolina

Charlotte—American Storage & Warehouse Co. is erecting a merchandise warehouse at 33-41 So. Cedar Street. Two stories high and of brick construction, it will contain 4000 square feet of floor space and have a Piedmont & Northern Railway siding.

Statesville—Statesville Ice Co. plans erection of a \$40,000 cold storage warehouse and ice plant.

Ohio

Columbus—Edwards Transfer & Storage Co. has preliminary plans for a \$250,000 6-story warehouse at West Maple and West Streets, to be started in February.

Lima—Liberty Moving & Storage Co. has expanded its warehouse by opening new storage rooms and enlarging its crating, packing and shipping departments.

Oregon

North Bend—Empire Fish & Cold Storage Co. is considering construction of a \$50,000 cold storage warehouse at Empire, near North Bend.

Pennsylvania

Pottsville—Pottsville Storage & Transfer Co. suffered destruction of a furniture warehouse by fire on Dec. 17. Building and contents were insured, but the loss was heavy. The blaze was believed to have been caused by sparks from a defective flue.

Tennessee

Bolivar—Hearn Ice & Cold Storage Co. plans to build a \$35,000 cold storage warehouse.

Chattanooga—Chattanooga Transfer & Storage Co. has completed a semi-reinforced concrete warehouse, with exterior walls of concrete tile, on Carter Street.

Texas

Dallas—Southern Ice & Utilities Co. has disposed of a note issue of \$500,000, a portion of which will be used for expanding the cold storage warehouse and ice facilities.

Galveston—Galveston Wharf Co. will erect a \$75,000 warehouse to contain about 90,000 square feet of floor space.

Houston—Wald Transfer & Storage Co., Inc., has plans for a \$175,000 4-story warehouse at Semmes and Nance Streets.

Utah

Salt Lake City—Utah Ice & Cold Storage Co. has plans for developing the apple storage business in Ogden.

Washington

Okanogan—Okanogan Fruit Growers' Association has plans for a \$50,000 3-story warehouse, 70 by 100 feet.

Wisconsin

Janesville—Weilder & Weilder, Inc., has completed plans for a \$30,000 1-story cold storage warehouse and ice plant.

Canada

Ontario, Kitchener—Fink-King Transport Co. has taken out a permit to erect a steel warehouse at Duke and Lowther Streets. The company's present building on Queen Street is to be abandoned.

Ontario, Windsor—Canadian Steamship Lines has preliminary plans for warehouse buildings in connection with dock improvements, to cost about \$80,000.

To Build Five Houston Plants

Construction of five large warehouses to contain approximately 100,000 square feet of floor space and to cost \$250,000 is being planned in Houston, Tex., by Damon Wells of that city. The buildings will be constructed of reinforced concrete and brick and will be fireproof.

One of the warehouses will be located at Polk and Palmer Streets and will have a floor space of about 25,000 square feet, and will be served by a private switch from the Southern Pacific Railway. This building has already been leased to a local automobile distributor for ten years.

A second unit, to be erected at Polk and Velasco Streets, will have 8,300 square feet of floor space and will likewise be served by a private spur from the Southern Pacific. It will probably be leased to an eastern manufacturer.

The third and largest of the warehouses will go up at Walker and St. Emmanuel Streets and will have a floor space of 30,000 square feet. It will be served by a switch from the Houston Belt & Terminal Railroad and, according to report, a lease has practically been arranged.

A warehouse having 12,500 square feet of space will be built at McKinney and Lamar Streets and will be in close proximity of the San Antonio & Arkansas Pass freight depot. This, too, will be leased to an eastern manufacturer.

The fifth warehouse will be located at Harrisburg Boulevard and Velasco Street, will have a floor space of slightly more than 15,000 square feet, and has been leased for five years to a Pittsburg manufacturer whose identity has not been disclosed.

With the completion of these buildings, which will be about May 1, Mr. Wells will have a total of twelve Houston warehouses with a total storage space of approximately 300,000 square feet.

F. F. Corrington Dies

F. F. Corrington, proprietor and manager of Corrington's Transfer & Storage, Riverside, Cal., died at his home on Dec. 16.

Mr. Corrington was a member of the National Furniture Warehousemen's Association.

New Incorporations Within the Industry

(Concluded from page 62)

Warehouses, Inc. Capital, \$500,000.

New York City—Twenty-sixth Street Warehouse Co. Storage warehouse. Capital, \$3,000. Incorporator, I. Leebere.

New York City—West Farms Transfer Co. Transfer and trucking. Capital, \$2,000. Incorporators include J. M. Arnstein.

Richmond, Staten Island—Pioneer Terminal Corporation. Storage warehouse. Capital, \$100,000. Incorporators include Clarence Kimball.

Ohio

Cincinnati—City Transfer & Forwarding Co. Capitalization, 250 shares of no par value. Incorporators, Richard E. Jungclas, Herbert E. Ritchie and Karl E. Wettengel.

Pennsylvania

Pittsburgh—Hosenfeld Storage & Warehouse Corp. Storage warehousing. Capital, \$25,000. G. A. Engle, of Bellevue, Pa., is treasurer.

Rhode Island

Providence—Rhode Island Motor Transportation Co. Transfer and express. Capital, \$50,000. Incorporators, Raphael Vicario, Samuel H. Workman and Alfred De Maris.

Tennessee

Chattanooga—Tennessee Specialty Co. To serve as manufacturers' distributing agents and merchandise brokers, and to buy, store, sell and warehouse general merchandise. Authorized capital, \$5,000. Incorporators, George Smatt, Oscar Moore, Gwendoline M. Moore, J. T. Cop-pinger and G. N. Boyd.

Virginia

Portsmouth—Virginia Ice Utilities Corp. Cold storage warehousing and ice. Capital not stated. Principal incorporators F. W. Beazley.

Wisconsin

Rhineland—Northern Storage & Warehouse Co. Storage warehousing. Capital, \$10,000. Incorporators, M. L. Epstein, H. M. Epstein and Erwin Koeller.

South Milwaukee—Lake Shoe Transfer Co. Transfer and cartage. Capital not stated. Incorporators, John, Wilson and Raymond Gee.

Bay State Firm Quits

The State Wharf & Storage Co., with wharf and stores on Border Street, East Boston, Mass., has gone out of business. The property with all its rights, franchises and good will was put up at public auction in the Boston Real Estate Exchange recently and sold to the Marshall B. Hall Company of Boston, who intend to use the premises for wharfage and storage purposes.